

American

MUNICIPAL GOVERNMENT
AND ADMINISTRATION

By

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TO MY MOTHER

Preface

It is a decade now since the author began his work in municipal government. These years have been momentous ones for the city official and the city dweller alike. The depression of the thirties made it necessary for cities to provide additional and improved services at reduced costs. World War II has not only left its imprint upon almost every family in America, but its mark will be felt by our cities for years to come. The necessity for building and reconstructing American cities worthy of a triumphant democracy faces both officials and citizens in every jurisdiction.

In this volume we shall deal with the governmental and administrative problems of the city. An effort will be made to give a general introduction to the all-important subject of the methods by which more than one half of the people in America are being governed in their various local communities. Our discussion will treat of the organs of municipal government, as well as the functions performed by these organs.

As noted above, recent years have witnessed many significant changes in the field of municipal government in this country. With the passage of time, the city continues to play a greater role in our economic, governmental, and social life. The depression of the thirties and World War II have emphasized the importance of the whole field of municipal intergovernmental relations. Especially has the state's administrative control over local activities become more stringent in recent years, and city-Federal relations offer a field of study within themselves. City planning is coming to be discussed on every street corner, while citizens and professional associations and organizations have become significant factors in developing better government in our communities. These modern developments and trends the writer tries to keep constantly in mind throughout the present volume.

The author wishes to express his appreciation to Prentice-Hall for granting him permission to rework and use some of the material appearing in his *Municipal Administration*, which was published in 1942. I am also greatly indebted to my colleagues, Dr. Wilfred D. Webb and Lynn F. Anderson, as well as Dr. Dick Smith of John

Tarleton Agricultural College, for reading the manuscript in its entirety and offering various criticisms and suggestions. I have also enjoyed much help and stimulation from the discussion of municipal problems with numerous city officials and officers of various municipal associations. To all of these I wish to express my sincere thanks. Especially should the following be mentioned: Earl D. Mallery, Executive Director, American Municipal Association; Clarence E. Ridley, Executive Director, International City Managers' Association; Charles S. Rhyne, Executive Director, National Institute of Municipal Law Officers; Alfred Willoughby, Executive Secretary, National Municipal League; E. E. McAdams, Executive Director, League of Texas Municipalities; John N. Edy, former City Manager, Houston; Guiton Morgan, City Manager, Austin; and Roderic B. Thomas, City Manager, Dallas, Texas.

To Mrs. Edna Gott I am indebted for reading and typing most of the manuscript.

Stuart A. MacCorkle

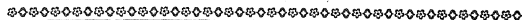
Austin, Texas

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*American Municipal
Government and Administration*



Cities in Society

URBAN life has assumed an increasingly significant role in our society. During the past century the recasting of a rural society into an urban one has proceeded with great rapidity. Today, under the impact of the postwar era, the process continues, although attended with considerable confusion as to ultimate results.

The city is responsible for the general welfare of some seventy-five million people. While most of us are inclined to take for granted the usual municipal activities, we do sense the fact that the municipality is an important service-giving institution not only for those who live within its boundaries, but for all who come within its reach.

The pervasive influence of the city in our society is reflected, however, in many other ways than the extent and importance of municipal activities. Even the small town has a certain social and economic importance to those living beyond the limits of municipal activity; and this influence tends to extend with the growth of the urban center, being countrywide in scope, in certain respects, for the few great cities. In other words, the significance of the city is not confined to the legally established corporation limits, but is to be found threaded into the lives of those residing in the countryside.

Some ten years ago attention was being called to our almost complete neglect of the significance of the city as a force that shapes and helps to direct our national life. Since then a considerable amount of study has been devoted to the city and its

role in our national economy; yet a great deal remains to be done. The end of the war permits us again to devote our energies to the fashioning of our own society, in which the rebuilding of the cities and their integration into a well-ordered political and economic structure are of primary importance.

THE URBAN TREND

The growth of cities is one of the notable developments in the history of the United States. When the first census was taken, in 1790, there were only two cities with 25,000 or more inhabitants, and the people living in these two places constituted only 1.6 per cent of the population; in 1940 there were 412 cities of 25,000 inhabitants or more, and the people living in them comprised 40.1 per cent of the total population. If the population for the smaller urban places is added to these figures, the contrast is even more significant. The entire urban population of 1790, comprising all persons living in cities and incorporated villages of 2500 or more, formed 5.1 per cent of the total population; in 1940 the urban percentage was 56.5.¹

Our cities grew slowly in size and number during the first half century or so of the nation's history. By 1850 there were only 62 places of 10,000 or more inhabitants, containing 11.3 per cent of the total population — an increase of 8.5 per cent over 1790. During the next half century, 1850-1900, there was a 20.4 per cent increase in the number of people living in places of 10,000 or more inhabitants. There was an additional 15.9 per cent increase from 1900 to 1940, and the total number of places of 10,000 or more people increased to 1077.

But the future does not look so bright for urban growth; it will undoubtedly proceed at a slower rate than in the past. The

¹ See *Sixteenth Census of the United States, 1940: Population*, Vol. I, pp. 26-27; unless otherwise indicated, the population data used in the following pages are taken from this volume of the census reports.

"Urban population" as defined by the United States Bureau of the Census is population that lives, with a few exceptions made to meet unique situations, in incorporated places of 2500 or more; "rural population" is all people living in places of less than 2500, plus all farm population.

It is recognized that community size is not an adequate index of urbanization. The census data do give us, however, a general picture of the rural-urban population shift and reflect the growing urbanization of the country.

average annual rate of growth of urban population in this country from 1900 to 1930 was approximately 3.2 per cent; but from 1930 to 1940 the growth averaged only 0.8 per cent per year. During the period of World War II there was an average annual increase of about one-fourth of one per cent. While it is hardly safe to hazard a guess about our future urban population, it would seem safe to say that there is a strong possibility that cities will never again experience the high rate of growth of the past decades.²

Rates of Population Growth, U. S., 1790-1940

DECADE	U. S.	URBAN	RURAL
1790 to 1800	35.1	59.9	33.8
1800 to 1810	36.4	63.0	34.7
1810 to 1820	33.1	31.9	33.2
1820 to 1830	33.5	62.6	31.2
1830 to 1840	32.7	63.7	29.7
1840 to 1850	35.9	92.1	29.1
1850 to 1860	35.6	75.4	28.4
1860 to 1870	22.6	59.3	13.6
1870 to 1880	30.1	42.7	25.7
1880 to 1890	25.5	56.5	13.4
1890 to 1900	20.7	36.4	12.2
1900 to 1910	21.0	39.3	9.0
1910 to 1920	14.9	29.0	3.2
1920 to 1930	16.1	27.3	4.4
1930 to 1940	7.2	7.9	6.4

Source: U. S. Bureau of the Census, *Population*, Second Series, Characteristics of the Population, 16th Census, U. S. Summary, p. 12.

Our recent decline in the rate of urban growth is attributable to three main factors: namely, the decline in net internal migration from rural to urban areas; the decline in net foreign immigration; and the decline in natural increase — that is, in the extent to which births exceed deaths.

² Abram J. Jaffe, "Population Trends and City Growth," *The Annals of the American Academy of Political and Social Science*, Vol. 242 (November, 1945), p. 18.

The census figures reveal that most of our urban centers experienced an exodus of people from within the corporate city to the numerous outlying suburban communities from 1930 to 1940. People flee from the city as soon as circumstances permit because our large cities have developed into centers of industry and employment, and not places in which to live. Smoke and dirt cause the housewife to give up in despair in her struggle to keep the home clean. Traffic dangers in the street are a constant source of fear to parents, and safe places for children to play are too few and too far away from most homes. People are attracted to the suburbs because of larger lots, more sunlight and air, less traffic, less smoke and dirt, more attractive surroundings, and anticipated lower living expenses.

The restrictions of wartime checked the momentum of decentralization. With the return of peace, it seems certain that the migration of people from the city, in search of better living conditions, will be resumed; perhaps in an even greater degree than before the war.

The Rise of Metropolitan Districts. The urban trend in this country is most revealingly manifested in the rise of metropolitan districts. Such a district is not a political unit, but rather an area including all the thickly settled territory in and around a city or group of cities. The Bureau of the Census has established a metropolitan district in connection with each city of 50,000 or more inhabitants, two or more such cities sometimes being in one district. If these districts are located on a map of the United States, the northeastern coastal belt shows an almost unbroken chain of districts stretching from Boston to Washington, while the remaining portion of the eastern half of the country is well sprinkled with them. Although the western plain and mountain area contains only a few widely separated districts, several areas dot the west coast region.

In 1940 there were approximately sixty-three million people, or almost 48 per cent of the total population of the United States, living in 140 metropolitan districts. The population

increase of metropolitan areas during the decade 1930-1940 almost equaled the total population increase of the country as a whole — 8,205,058 as against 8,894,229. The urgency of the war activities undoubtedly resulted in further population increases for many of the larger cities, or at least for their metropolitan areas, at the expense of the country and the smaller urban places.

The nuclear cities of the metropolitan districts have not in all cases continued to benefit from the increase of population. As a matter of fact, the outer boundaries of many of these cities have been static for decades, and some of them actually show a declining population. To express it more exactly, many of our central cities experienced a decline in population between 1930 and 1940, while the urban areas within which they lie increased in population. Thirty-one of the nation's ninety-three cities with 100,000 or more inhabitants in 1930 lost in size in the ten years thereafter. Every increase in the worker's wages, every shortening of the working day, and every improvement in the facilities of cheap and rapid, mass or individual transportation is increasing this flow of population from the mother city.

The central city of many of the relatively young metropolitan districts, unlike the older metropolises of the country, still retains a high percentage of the district's population. In Texas, for example, eleven metropolitan districts were listed by the Bureau of the Census in 1940. The combined population of these areas was slightly over two million, or about 32 per cent of the total population of the state. The average central city of these eleven districts had living within its city limits 81.84 per cent of the total population of the area. Houston was listed as having the lowest percentage of the district population living within its boundaries, namely, 75.3 per cent. This is in marked contrast to such cities as Boston, where only 32.8 per cent of the population of Greater Boston live within the city itself, or to Greater Pittsburgh, where 33.7 per cent live in the City of Pittsburgh.

Individual units of population differ widely from one an-

other in age, cultural background, race, and economic status. As long as they all live in the central city, they tend to form homogeneous clusters — the rich in one section, the middle class in others, and the poor in still others. As long as they all live within one unit of local government, no great financial problems emerge from this separation. The trouble begins, however, with the highly selective nature of the flow from the center to the suburbs. The rich tend to flow in greatest proportion to their numbers and settle in exclusive suburbs, establishing their own tax districts. The rest of the selective flow tends to extend downward to about the lower middle class. The very poor show less tendency to move, and are burdened with taxes to provide services and improvements, not only for themselves but also for their former fellow citizens who work in the central city but who now sleep and pay their taxes in a suburb.³

Reasons for Urban Growth. When one attempts to discover the reasons for the rapid growth of our cities, it is easy to dismiss the matter on the grounds that the total population increased tremendously — from almost four million in 1790 to some 131 million in 1940 for the continental United States — and that people naturally congregated in urban places. However, the causes for urban growth are more fundamental.

Through the early periods of our history there was a flow of population from the farm to the towns and cities, but the mere availability of a surplus farm population does not in itself answer the question as to why our urban centers grew. Perhaps more important, from the standpoint of attraction to the rural youth and the immigrant, was the development of urban industries.

Industry, as it has evolved in this country during the past one hundred years, has transformed our society. The introduction of steam power into manufacturing and the development of steam transportation were basic factors in the growth of factories and in their location near or in cities. The im-

³ See Philip H. Cornick, "Effect of Population Shifts," *Municipal Finance*, Vol. XVIII, No. 3 (February, 1946), p. 27.

provement of factory machinery, the development and refinement of transportation methods, the extension of energy resources by the use of electricity and petroleum, and an expansion of credit facilities permitted continued industrial expansion and a concomitant growth of cities.

The urbanizing effect of the Industrial Revolution has been felt all over America. The new industry of the late nineteenth and twentieth centuries supplied the power and mechanical essentials for the growth and preservation of an agricultural base for numerous communities, as well as a totally new reason for urban growth.

As a matter of fact, the successful occupation of our expansive territory has depended upon the extension of railroad, water, and air facilities, and the application of new techniques for the utilization of the soil. The new manufacturing industry, which was responsible for the growing demand for raw materials and processed products, supplied the transportation systems and thereby made accessible the world's markets. It was also the new industry which supplied such essentials as power agricultural machinery, deep-well drilling machinery, windmills, wire fencing, and the other things which came to be so important in the White Man's conquest of our great western plains.

New industries either contribute to the growth of existing cities or cause the rise of new ones. In some cases large cities become larger, their transportation, power, and credit facilities expand, and new commercial and industrial establishments tend to gravitate to them, which in turn attracts more people. Soon a metropolitan center is born.

Therefore, the interaction of such factors as the opening of deepwater outlets, the laying of the railroads, and later the rise of automobile and air transportation, the growth of industries based upon the mineral, water, and agricultural resources, and the attraction of a large and growing population as a domestic market have contributed to making America a predominantly urban society. Moreover, many of our cities are still growing. Their future growth, as in the past, will be

vitality affected by economic developments. There are those who envision the establishment of new economic strength for the urban communities of this country and their continued growth in population made possible by unheard-of scientific discoveries. But can anyone predict with any degree of certainty the city of tomorrow?

Let us look at our cities, their importance in our society, and some of the major problems of city life and government. First, let us glance at the social, economic, and political significance of the city in American life.

THE ROLE OF CITIES IN OUR NATIONAL LIFE

It is not an easy matter to describe the significance of the city in our society. Recourse is often had to statistical data: the number of people, the amount of taxes collected and money expended, the services available to the citizen, or the size and number of this or that type of building or business.

The truth of the matter is that figures do not convey the full significance of what the growth of cities has done to our society. The rapid concentration of great numbers of people in a limited space not only has meant for them a new way of life, but it has also molded, in many respects, the lives of those who live beyond the corporation limits. Truly the atmosphere of the city pervades our entire national life.

Transportation Centers. Much insight may be gained regarding the importance of our cities from a study of highway and other route maps. Consider the western portion of the country. Situated on the eastern edge of the Great Plains are such cities as San Antonio, Dallas, Fort Worth, Oklahoma City, Tulsa, Wichita, Kansas City, and Omaha. Between these cities and the west coast area lie Denver, El Paso, Salt Lake City, and Spokane, the largest centers of population in this land of mountain, plain, and desert. And on the west coast we find such large urban centers as San Diego, Los Angeles, San Francisco, Portland, and Seattle.

Note how the major regional and national highways stem from these cities as spokes from a wheel, and how the rail-

roads, shipping lines, airlines, and trucking lines funnel through them. Over land and water and through the air, in and out of the cities, move great numbers of people and vast quantities of merchandise. These movements of people and goods carry the imprint of the city throughout the urban hinterlands: in social and business relationships, in manner of thought and dress, and in the conception of desirable household conveniences.

The story is much the same for each of our important cities. Throughout the years, accompanying the commercial and industrial development of the country, transportation facilities have multiplied in number and in kind, linking the cities with one another and with countless little towns and villages. Today, as in earlier years when the most flourishing settlements were located at favorable points on the seacoast or on inland waters, our cities stand astride the major arteries of transportation; and the larger cities are enmeshed in a web of traffic arteries which converge upon them from every direction.

As a matter of fact, the world is steadily shrinking, if measured in travel time, because of the expansion of air transportation. It is already possible to reach any important city on the globe well within a week. Certainly we are experiencing the beginnings of a revolutionary era in transportation.

At present there are in the United States over three hundred towns and cities served by commercial airlines, and no doubt this number will increase. It has been suggested that, with the establishment of feeder airlines connecting towns now off the main airlines, it will soon be possible to reach all the wholesale, and most of the retail and consumer, buying power of the country by direct air transportation.⁴ There is little reason to doubt that the postwar period will bring a rapid expansion of passenger travel and freight-by-air to all parts of the world. This prospect is of immense importance to

⁴ John H. Frederick, "How Air Transportation Will Affect Marketing Methods," *The Southwestern Purchaser* (February, 1943), p. 10.

all of us, rural and urban residents alike. But more than likely the airlines of tomorrow will stem from our cities, stressing anew the role of the city as a transportation center.

Centers of Commerce and Industry. The importance of cities as transportation centers is indicative of their commercial and industrial significance. The city is truly the industrial workshop and the countinghouse of American civilization. There is little which we use that has not been directly or indirectly involved in the commercial and industrial processes of the city. The self-sufficient farm family of our early history, producing not only foodstuffs but also clothing, furniture, and farm and household implements, has been displaced by the shops and factories of the city.

Nothing is more indicative of the industrial change which has taken place than the farmer's neglect of his forge and anvil and the disappearance of the village smithy. The needs and wants of modern living are supplied through the mail order catalogue — from Denver, Kansas City, Chicago, Baltimore, Philadelphia, or some other city — and the trading community stores displaying the wares of a hundred factories.

In 1939 about 33 per cent of the retail stores were located in places with less than 2500 population, but their sales amounted to only 17.3 per cent of the total for the country. Almost 43 per cent of the stores were located in cities of more than 30,000 population, and these stores accounted for 57 per cent of the sales. The cities with a population of 10,000 or more had 53 per cent of the retail stores, and their sales amounted to 70 per cent of the country's total.⁵

While retail outlets are well distributed over the country, wholesale trade is definitely a big-city business. More than one-half (52.4 per cent) of all wholesale trade in 1939 was transacted by establishments located in the 13 cities with a population of more than 500,000 and in the District of Columbia; and the 91 cities, and the District of Columbia, with a population of 100,000 or more, accounted for three-fourths

⁵ See *Sixteenth Census of the United States, 1940: Census of Business*, Vol. I, Part 1, p. 17.

of all wholesale trade. Cities with less than 50,000 population, together with rural areas, accounted for only 19.6 per cent of sales, although they contained 65.6 per cent of the population.⁶

In or near our cities are located most of the manufacturing establishments. Again, the large city dominates our major industrial areas. The Bureau of the Census has grouped 97 counties into 33 major industrial areas which contain our larger cities. These 33 areas had, in 1939, over half of the country's manufacturing establishments, they employed more than 50 per cent of the wage earners, and the value of their manufactured products totaled \$33.5 billion out of a total for the country of \$56.8 billion.⁷

Cultural Centers. Though its economic significance looms large in our national life, the city is none the less important as the cultural and intellectual center of our time. Throughout world history the city has been the focal point of artistic and intellectual development, and it remains so today.

In the cities are located important libraries, universities, colleges and technical schools, medical centers and foundations, religious and welfare institutions, symphony orchestras, museums, great newspapers, and radio centers. It is such facilities and institutions as these which, to a great degree, generate the cultural and intellectual ideas which are diffused throughout the country and mold our national life.

The educational and cultural institutions of our cities attract many thousands of people every year. The theater, the opera, the symphony orchestra, the restaurants, the movie palaces, and the fashion centers — these are among the things which rural and small-town residents seek as they converge upon the big cities for brief vacations or for business purposes combined with leisuretime diversions. Others come to the city, both large and small, for varying periods of study at the institutes, colleges, and universities. In such fashion is the rural culture molded by the urban pattern.

⁶ *Ibid.*, Vol. II, p. 6.

⁷ *Sixteenth Census of the United States, 1940: Manufacturers, 1939*, Vol. I, pp. 50-54.

Governmental Centers. In political matters, too, the growing importance of the city is evident. American politics was long primarily rural in outlook and practice. With the increasing urbanization of the country, the practice of politics came to be more urban in origin and application, even though the rural viewpoint continued to affect, and oftentimes control, municipal affairs through the state capitol and county courthouse.

We have noted that urban government is immediately responsible for the general welfare of a majority of the people. An analysis of this responsibility will show that neither the Federal nor state governments, except during an emergency, so intimately affect the daily life of the urban majority as do the municipal governments. The daily good health and safety of the city dweller, aside from his personal responsibility in these matters, are largely in the keeping of the city in which he lives.

As a general rule, the cities were faced with new problems of governmental management before either the state or the nation. The rapid growth of urban population forced upon city government a reconsideration of established methods and the development of new procedures. In the employment and refinement of such staff techniques as budgeting and accounting, centralized purchasing, personnel management, and the application of engineering skills to urban problems, the cities have broken new ground. As a consequence, the other governmental units have relied extensively upon city experience in such matters.

Likewise, the city has served as a training school for many of our national and state political officers and administrative employees. The national war agencies, for instance, secured many of their key employees from the ranks of the city managers, municipal personnel and financial officers, and from other city employees with specialized experience.

Political and administrative activity by and for the city was greatly stimulated by the events of the depression years of the 1930's. The city was the focal point for many of the problems

of that period, and it could not be ignored in the legislative assemblies of the country, either Federal or state. Political and administrative initiative was required of civic leaders and municipal officers and employees to assist in the development of programs to meet the depression-born problems. The city realized from these years a greater sphere of political and administrative leadership, which will likely grow with the co-operative extension of services to the masses of the people by the Federal, state, and city governments.

The new programs of the Federal government have also contributed in another way to the governmental importance of the city. Such cities as Boston, New York, Atlanta, Cleveland, Chicago, Kansas City, Dallas, Denver, and San Francisco have often been selected by Federal departments and agencies as regional headquarters. As a result, these cities are becoming something like regional capitals for the administration of Federal programs. Federal districts offices are similarly scattered throughout the country in other cities, both large and small.

MUNICIPAL PROBLEMS

During the course of a century our cities have become, as one writer has said, "the focal points of both the nation's problems and the nation's promises." The city is the workshop of our industrial machine, the commercial and financial nerve center of the nation; its influence envelops the countryside, culturally, economically, and politically; and its problems cast shadows throughout the land.

The problems of the city, therefore, are both national and local in scope and effect. We have been slow to take into account the place of the urban community in national economy. Also, we have tended in our local efforts to attack as isolated problems the various undesirable manifestations of city life and government. Now, however, is an appropriate time to take a new and more comprehensive approach to the problems of the city. We have emerged from the war with the greatest industrial machine in our history, with new materials and in-

dustrial processes, and with a vast number of skilled workers. We have also emerged with a large bundle of the most complex problems in our history, and the city will be the hub for many of them.

When the war ended, our municipalities were in a stronger financial position than they had been for a decade. However, the outlook today is not as promising as figures might indicate, because the problems facing city government during the initial years of the postwar period will likely tax municipal finances to the utmost. Cities must grapple with many problems which were war born. There are personnel problems to be faced, for many trained and capable employees left municipal employment during the war years for service with the armed forces or for work with the war agencies of the Federal government or with essential industries. The effect of these separations upon municipal activities was serious. Many cities were "just getting along" until the war ended. The problems of replacement, reinstatement, and training of personnel are necessarily among the first to concern municipalities as we turn from war to peace.

The equipment and physical plants of cities suffered materially from unavoidable neglect and heavy use during the war period. A great deal of equipment is no longer usable, and much of that in use needs to be replaced or overhauled. Only the most necessary repairs and extensions of physical plants have been possible for the past few years, due to both labor and material shortages.

The city, therefore, faces the necessity of replacing, repairing, and adding to its equipment and physical facilities. Sewage plants, fire fighting equipment, street cleaning and garbage disposal machinery, mowing machines, and trucks — these and other mechanical aids to adequate municipal services — may require a considerable financial outlay by the city during the next several years.

In many cities, particularly those which had a large influx of war workers and military personnel, the city government was ground between the hard facts of shifting personnel, ever-

decreasing stores of supplies, and deteriorating equipment on the one hand and a sudden demand for an extension of services on the other. In such cases, it often happened that the most urgent needs of the moment were met without much attention to the over-all or future aspects of municipal programs and activities. It will be especially necessary for the "boom" cities of wartime America to review municipal programs thoroughly, and to redirect and revitalize them for the years ahead.

Such problems as those touched on above will require the immediate attention of most of our cities. Financial considerations loom large in the discussions relating to personnel, equipment, repairs, and the reshaping of programs. Some cities foresaw the need for ready funds when the war ended, while others put off the day of reconciling financial resources and prospective financial needs. For the latter, the course ahead may be rather difficult.

In a broad sense, the problems with which city government must contend in the near future are only a part of the general problem of reorienting our communities into a peace-time economy and carrying forward the physical and social rebuilding of our cities. We had no more than begun a broad attack upon the major urban problems — housing, juvenile delinquency, public health, municipal finance, social disunity, and so on — when the demands of war intervened to exercise a priority on the human and material resources of the country. And now the domestic dislocations occasioned by the war have penetrated into almost every recess of community life and government, adding new complications to old problems.

The years ahead will be critical ones for our towns and cities. In the words of one writer on urban society:

There is a current running today. . . . This current has to do with the reorganization of community life and activity in this country. It involves the farmer, the butcher, the baker, the banker, the professional man and woman, the worker in mill and factory — it involves everybody. It is a movement that can bring a larger measure of control

back into the hands of the people of the local community. It is really their movement; it is a movement designed to improve local community life and living, a movement inclusive of business and industrial development, public administration, education, recreation, parks and playgrounds, libraries, health and welfare services, housing, and so on, and it calls for the best that intelligent leadership can provide in the fields of business and industry, agriculture, marketing, architecture and engineering, social engineering, and everywhere men and women will seriously put their minds and their varied skills to work on the problems.⁸

There is abundant evidence that thoughtful men and women throughout the country are aware of the need for planning the reorganization of our cities and their closer integration with the countryside. In many communities a deliberate decision has been made to guide, in so far as possible, the currents of community life. This method will require the close and continuing co-operation of private enterprise, governmental and civic groups. But if the human and natural resources of an area are to be fully developed and harmonized with one another, it must be through a scheme of planned, co-operative action.

Public works programs, together with private development projects, can accomplish a great deal toward the renovation of our cities. However, individual and unrelated projects, either public or private, will fall short of the desirable goal. A little housing here and a play lot there may benefit a few fortunate urban residents, but it will not change materially the over-all environment of city life. To be most beneficial, the public works program must be an articulated part of a comprehensive attack upon the problems of urban life.

Numerous studies have indicated a causal connection between the physical conditions of city life and such problems as social disintegration, a high incidence of delinquency and crime, and high infant mortality rates. Our planning pro-

⁸ W. E. Gettys, "Our Texas Communities," a paper read before the conference of The University of Texas on *The City — the Town — and the Community of Texas*, October 5-6, 1944, Austin, Texas.

grams should be based on a recognition of such relationships, in order that we may make of our cities healthful, comfortable, and convenient environments for living.

The democratic process will be more meaningful, and we can be more certain of a continuing public interest, if community planning is well grounded in civic group activity and municipal governmental processes. Our cities are not cut from the same pattern or from an identical piece of cloth, and the abstract principles of planning need to be adapted to local, racial, cultural, economic, and political differences. Nevertheless, if cities are to carry forward a successful attack upon urban problems, the close co-operation of the Federal and state governments is urgently necessary. How can municipalities solve their financial problems, which are so closely interwoven with community planning, without a united intergovernmental attack upon fiscal matters? What can be done about the reorganization of metropolitan areas without a sympathetic attitude on the part of the state legislatures? How can our cities fulfill the demands for services without a restatement of the legal basis for municipal organization and operation?

It is in our communities where men live, work, and rear their families that the roots of American democracy lie. It is through the give-and-take of city life and the firsthand contacts that the citizen gets his most direct feel of democratic government. To us the great city is one where order is maintained for the weak as well as for the strong, where justice is meted out to rich and poor alike, where freedom dwells not in musty books but in the daily lives of men and women, reflected in their opportunity and their basic security.

Within our cities are brought together men of many races and creeds. They are brought together in a community in the pursuit of a common end — the attainment of a real democracy where political, economic, and social freedoms reign. If we achieve this end, we shall be moving toward the strongest, most cogent democracy within the reach of man.

The Development of American City Government



HISTORY reveals that defense was doubtless the earliest motive for the establishment of local groupings of population. Ancient peoples held together by family ties, living in caves or rudely constructed stockades, developed a spirit of co-operation. In this humble manner, civilization and the city began life together, and they have since remained inseparable. As time passed, those villages which were the most capable of defense accumulated larger populations and grew in wealth and power. Athens, for example, clustered close about the steep slopes of the Acropolis; and Rome, entrenched in the marshes of the Tiber, soon outdistanced other villages in population, wealth, and military power.

Rarely, even in ancient days, could enough food be raised within the city wall or stockade; so growth and prosperity came to depend primarily upon the ability of the city to secure raw materials in exchange for its finished products. For this reason, the earliest great cities developed in the Nile and the Tigris-Euphrates valleys where navigable streams traveled for great distances through excellent farm lands. Others developed along the Aegean and Mediterranean seas, where ships could set out in a favorable sea and return with food for the populace. Here trade routes met and sailors, porters, ship carpenters, traders, and others gathered. In these places merchants grew rich, and cities swelled with wealth and

population. These ancient cities lived by exchanging their own manufactured products with those of other cities for food and raw materials. The development of these cities largely depended upon access to transportation facilities.¹

THE ENGLISH BACKGROUND

Many of the factors which characterized the development of Greek and Roman cities likewise may be considered as contributing to the rise of English cities like London and Liverpool. With the defeat of the Spanish Armada, England became the leading commercial country in the world, and the development of her cities and ports was a direct result. Even earlier, evidences of the increasing importance of the borough came through the sovereign's efforts to counteract the power of the barons.² Under changing conditions it became exceedingly expedient that the king reduce the strength of the landed aristocracy and give emphasis to the rapidly growing commercial class. Thus, the growth of power of the borough became associated with separate representation in Parliament; and as the cities grew in power, they also gained the right to commute various fees — not only to the lord of the manor, but to the Crown as well. They paid an initial sum to the king and later were allowed to raise fees by their own rights.³

By the fifteenth century the English borough had become a "corporation," and it was this corporate aspect which became the most important contribution to our American city. The borough came to be regarded not as constituting an area, a body of residents, or an instrument of government, but rather as what one writer had described as a "bundle of

¹ For a discussion of ancient cities and the cities and towns of the Middle Ages, see Eugene McQuillen, *The Law of Municipal Corporations*, revised by Ray Smith (Chicago, 1940), Vol. I, pp. 4-125.

² In England the term *city* is commonly used for a town that is or has been the seat of a bishop. In more recent years some of the large industrial centers have also been designated as *cities*. A *municipal borough*, on the other hand, is any incorporated urban area and corresponds to the American city.

³ Ernest S. Griffith, *History of American City Government* (New York, 1938), pp. 15-16.

privileges." Especially under the Tudors did the vigorous independence of the borough in internal affairs become subtly undermined. Corporations entered into an era in which they were increasingly subject to national pressures. Also, hundreds of new corporations were chartered. In the overwhelming majority of cases, rights and privileges were incorporated in a formal document or charter which represented grants from the Crown. Thus the king's influence over the boroughs was gradually increased, and they were compelled more and more to execute national will in regard to trade, fiscal matters, and other things.⁴

The Stuarts continued and extended the policy of the Tudors in so far as the concentration of authority in royal hands was concerned. Under the rule of Charles II and James II, one after another of the earlier borough charters, which were not subservient to the king, was withdrawn. The new charters, which were subsequently substituted, named the king's supporters as members of the corporation, strengthened the Anglican element, and still further established the close corporation as the prevailing type.⁵

Although the activities of the Stuarts were soon resented, events which resulted in revolution and parliamentary supremacy left the legal position of the municipal corporations primarily unchanged. Many of the boroughs, by their own action, resumed operation under the charters which they had had before the reigns of Charles II and James II. It is also to be noted that regardless of the fact that Parliament itself increasingly took a hand in altering, amending, and even in granting borough charters where considerable numbers of freemen existed, bribery was not uncommon.⁶ The close corporations in England became scarcely more than a

⁴ Ernest S. Griffith, *History of American City Government* (New York, 1938), pp. 16-17.

⁵ By definition, a close corporation is one that perpetuates its personnel by co-option rather than by popular election.

⁶ Prior to 1688, the royal authority over the boroughs remained largely unchallenged; after that date the king continued to incorporate, but borough powers and obligations came to be more and more frequently altered by acts of Parliament.

haven for those who wished to perpetuate their power nationally. To the king and the Crown, the boroughs in the early part of the eighteenth century were agencies which fostered trade and commerce, or instrumentalities, and thus enhanced the royal revenue. To the members of the governing body of the corporation, membership increasingly appeared as a vested right — something to which they were entitled by succession. Such membership frequently carried with it considerable prestige, and in these corporations the powers, not the governmental framework, were considered primary.⁷

As to governmental structure, aldermen and councilors normally made up the governing body of the corporation, and in the larger boroughs such bodies were divided into committees for administrative purposes. The names of these committees are quite suggestive of the nature of the services performed by the early boroughs. There was usually a committee entrusted with the care of the town property, and another on markets and fairs; a watch committee directed the work of preserving the public peace. As a governing body, both aldermen and councilmen, who were commonly chosen for life by its own membership, sat as a single group. Each member, whether alderman or councilman, held the same voting power. The head of the borough was usually known as the mayor. Other terms occasionally used were "bailiff," "reeve," and "head." This individual was chosen from the membership of the council, and although not an administrator in the modern sense, was a magistrate of great dignity. A recorder normally performed the legal functions of the corporation and acted as *ex officio* justice of the peace. The bailiff, or bailie, varied in his official capacity more than any other official, but was usually an officer who executed writs and performed other judicial or fiscal services.⁸

As indicated by the life tenure of the principal borough officials, the people of the borough, as a rule, had no voice in the policies of their local governments. In each community certain of the residents were designated as "freemen." The

⁷ Griffith, *op. cit.*, pp. 29-30.

⁸ *Ibid.*, pp. 26-29.

title was obtained by birth, purchase, or in some other manner, according to the local custom, and carried with it a number of special privileges. Many localities frequently endowed these individuals with the right to vote for members of Parliament, and in a few of the boroughs they maintained the same right in regard to local officers. Of more importance, however, was the fact that freemen enjoyed freedom from burdensome trade restrictions and from payment of numerous special taxes.

BOROUGH GOVERNMENT IN THE COLONIAL ERA

The history of the development of American city government properly begins in the English boroughs rather than in the American colonies. The population of these new lands was largely of English stock, and it was but natural that in government, as well as in other matters, they should make use of familiar institutions. It was in New England, however, that local government differed most from that of the mother country. In these colonies no charters were granted; the early systems of town government which were established involved no such formality, yet proved quite satisfactory. Here the settlers brought the ideas, energies, affections, and hatreds of their ancestors with them to their new homes. From the earliest times they seized control of affairs in the localities, fiercely resented any encroachment on what they termed their natural rights, and set up local systems which, for the period, were extremely democratic.

In Massachusetts, for example, each town maintained its own military company, established its own church organization, provided its own court for petty cases, and made by-laws for carrying on its municipal affairs. Town officers were elected at regular annual meetings, while special meetings were held for the election of one or more representatives to the General Court. Functions of the town were carried on through the locally elected town officers upon whose authority town meetings were called; a majority vote ruled. Any person was privileged to attend the regular meetings, which were

held to determine accounts and elect officers, or the special meetings which might be called when the occasion should arise. This system was not adopted in other areas, nor did it prove successful in those New England cities which later accumulated considerable population.⁹

Thus, the true American municipal system had its beginning, more than three-quarters of a century after the founding of Jamestown, in the incorporation of the first colonial boroughs, which were characterized by their similarity to the English borough of the same period. New York, which was a Dutch colony, was the first to receive a charter from Governor Dongan in 1686.¹⁰ Albany was given a similar charter a few months later, as were Philadelphia in 1691, Annapolis in 1696, Norfolk in 1736, Richmond in 1742, and Trenton as late as 1746. During this period several other charters were also granted to cities of lesser importance.¹¹ All of these documents, numbering not more than two dozen, were given exclusively by the governors of the colonies.¹² In many instances the executive acted upon the request of the burgesses or inhabitants, and sometimes the charters were even submitted to the voters before they were finally put into operation. Moreover, the English close corporation was generally abandoned; and in America, from the very beginning, most borough councils were popularly chosen.

In brief, the charters provided for a framework of government in which the corporate powers of the community were given to a council. This governing body consisted of a single

⁹ For example, by 1822 Boston had passed the 40,000 mark. Because of this increase in population, a select few came to dominate the town meeting, necessitating a change in governmental form.

¹⁰ Sir Ferdinando Gorges gave borough charters to Agamenticus and Kittery, two villages in Maine, in 1641 and 1647 respectively. These charters were not regarded highly by the inhabitants, however. The Kittery Charter never went into effect; and although the Agamenticus Charter was nominally in effect for a period of eleven years, the people continued to carry on their own government with but slight regard for its provisions.

¹¹ W. B. Munro, *The Government of American Cities*, Fourth Edition (New York, 1933), p. 22.

¹² A list, with the dates of grant, may be found in J. A. Fairlie's *Essays in Municipal Administration* (New York, 1908), Chapter IV.

group of individuals, including a mayor, a small number of aldermen, and a larger number of councilmen, all sitting together. Except in the close corporations of Annapolis, Norfolk, and Philadelphia, the councilmen were chosen at regular intervals by the freemen or freeholders of the town, and in most cases the aldermen were selected in like manner. A recorder served as the legal advisor of the council. Like the mayor, he commonly received his appointment from the governor, and everywhere was a member of the council, exercising considerable influence over the body.¹³

Under this plan the number of aldermen was small — usually six or eight. There was little difference between councilmen and aldermen, however, save that the aldermen were often assigned some special function to perform, chiefly of a judicial nature. The council as a whole, made up as it was of mayor, aldermen and councilmen, framed the local ordinances, voted and spent the borough appropriations, and attended to such administrative tasks as there were. Rather curiously, the chief tasks imposed upon the council were neither administrative nor legislative, but judicial in nature. The mayor and aldermen, together with the recorder, formed the borough court which held its weekly or fortnightly sessions for the trial of criminal and civil cases.¹⁴

As we have seen, oftentimes the mayor was appointed by the governor of the colony in which the borough was located. In some boroughs, however, he was chosen by the councilors from among their own members, and in a few instances he was elected by popular vote, although this method never became a regular practice in any borough. The mayor's term of office was usually for a one-year period¹⁵ and without compensation. The distinguishing feature of his office was the fact that he enjoyed few legal powers. He had no veto, no

¹³ In some localities, however, the recorder was chosen by the council, as for example, in Trenton.

¹⁴ In a number of municipalities the mayor, recorder, and aldermen served as justices of the peace with jurisdiction over minor civil cases and authority to commit persons accused of crime. In many boroughs they were also ex officio members of the county court.

¹⁵ It was not unusual for him to hold office for a number of terms.

exclusive right of proposing expenditures, and no authority to nominate and appoint borough officers. Chief among the mayor's duties were those of presiding over the deliberations of the council and welcoming distinguished visitors with due ceremony. Only in other minor capacities did he receive fees which to any degree compensated for his services.¹⁶

Glancing at colonial municipal government, we see a corporation which was brought into existence by a relatively small group of the upper-middle and well-to-do classes who held the voting power by virtue of their possession of a certain amount of real or personal property plus, in some colonies, religious or other qualifications.¹⁷ The framework of government vested all functions in one body, the common council. The principle of the separation of powers did not prevail. The men who enacted laws carried them into effect and dispensed justice under the laws which they had helped formulate. Moreover, it is well to remember that the tasks of all of these officers were simple, and none of them performed public services of great account. Throughout the colonial period and until after the middle of the eighteenth century, Boston was the largest city in the colonies; then Philadelphia took the lead and retained it until after the Revolution. Only five colonial cities had more than 8000 persons, and their combined population on the eve of the American Revolution was less than 100,000 — about three per cent of the total of all colonial America.¹⁸

THE POST-REVOLUTIONARY PERIOD

(1776-1825)

After the Revolution, many of the boroughs which had received charters prior to 1775 gave them up and received

¹⁶ In Albany the mayor acted as coroner; in Philadelphia he was treasurer and inspector of bread bakeries. Frequently he was permitted to license tavern keepers and others. In each instance he received fees.

¹⁷ A number of boroughs conferred the franchise upon those individuals who possessed real or personal property ranging from 10 to 50 pounds. In Albany every person who owned property could vote. Religious qualifications for voting were found most frequently in New England.

¹⁸ These were Philadelphia, New York, Boston, Charleston, and Newport.

new ones from the legislatures of their respective states. These new documents differed from the old ones in that they almost invariably granted voting privileges to a larger number of people, and made a large percentage of the municipal officers subject to the approval of the electorate. Generally speaking, provisions of the charter vested the government of the city in the hands of a mayor, aldermen, and common councilors, all constituting a single legislative ordinarily known as the council. The aldermen, who constituted the smaller group of the council, were customarily elected for a long term of office. Councilors or common councilmen, usually a much larger number, were elected for a short term — two or three years. The mayor, it is interesting to note, was chosen by the aldermen from their group, and enjoyed no powers other than those resulting from his position as presiding officer of the council and ceremonial head of the city.¹⁹ These charters represented only a slight change from the English ones of the same period, and did not vary greatly from the previous charters granted by the colonial governors. However, one finds in these documents the first break which ultimately resulted in a system of city government which might be characterized as distinctly American.

The greatest change came in those charters granted in the early 1800's.²⁰ Ordinarily, these made provision for two legislative bodies and the executive veto, and embodied the popular principles of separation of powers and check and balance. It seems evident that the new Federal system was becoming popular, and its principles came to be adopted in both state and city governments. The general acceptance of the principles of the Federal Constitution led many cities to make provision for an autonomous mayoralty, the bicameral

¹⁹ An excellent example of the charters of the period was that granted to Philadelphia in 1796. By its provisions the government of the city was vested in the hands of a mayor, aldermen, and councilors as a single body. Fifteen aldermen were elected for a seven-year term and thirty common councilmen for a three-year term. The mayor was chosen by the aldermen from their own number.

²⁰ Probably the best examples of these may be found in the Baltimore charter of 1796 and the Detroit charter of 1806.

council, the executive veto, and the practice of aldermanic confirmation.²¹

In conjunction with the adoption of the bicameral council as a general feature of the American municipal system, the "corporation" as a self-perpetuating body faded out of existence. Both aldermen and councilors came to be elected by popular vote. At first the mayor was not popularly elected, and in most cities he acted merely as the presiding officer of the council, not as a separate administrative official. In time, however, the principle of division of powers gained such momentum that his independence was well established through direct election to the office.²² With this step also came the mayor's power over the council's acts.²³ Thus the mayor was no longer a chief colleague among equals, but began to play a far greater part in local government.

The transition did not come overnight. While the charters of the period differed from those of the colonial era in spirit more than in form, they did pave the way for the development of more democratic city government through the adoption of major principles which had taken root in both the states and the nation. The structure of city government did not at once undergo any major changes; it did, however, begin to shift away from the English model.

THE JACKSONIAN ERA

(1826-1865)

This period witnessed the extension of suffrage privileges. As we have seen, in the colonial period and the years which immediately followed, many of the states imposed a prop-

²¹ The Baltimore charter of 1796 provided for the election of the mayor by an electoral college and a two-chambered city council. One branch of the council represented the eight wards of the city.

²² During the thirty years following the close of the Revolution, at least ten cities made the mayor elective — Boston and St. Louis in 1822, and Detroit in 1824. By the middle of the century, popular election of the mayor had become almost the universal rule.

²³ Baltimore gave its mayor veto power in 1796. One by one, other cities did likewise until, by the middle of the nineteenth century, the mayor's veto was firmly established.

erty or tax-paying qualification upon the voting privilege in both state and local elections. With the coming of the Jacksonian era, a movement for the abolition of these requirements gained momentum, and before the middle of the nineteenth century universal white manhood suffrage was accepted in most states. The extension of suffrage came upon the cities at a trying time, for close upon its adoption came an enormous influx of European immigrants.²⁴ Our cities received the greatest share of the foreigners, and by and large, they were rapidly granted voting privileges.²⁵ For the most part, these newcomers were from the European peasant class. They were ambitious but without experience in the art of self-government. Like many of their native-born neighbors, they were easily misled by plausible theories.²⁶ Much was made of the idea that the duties of public office were simple and that every man should be able to live for a time at public expense. Therefore, the distribution of public offices among faithful party supporters was recognized and practiced. In most cities of the nation a victory by the opposition at the polls meant a complete turnover of personnel at the city hall.

These practices proved particularly disastrous since, as early as the eighteen thirties and forties, the cities were yearly taking on new and larger responsibilities. Under the spoils system they could not furnish the administrative ability and technical skill necessary to their changing status; yet the work had to be carried on. During this period especially, the larger cities began the practice of lighting their streets with oil lamps or gas. In many cases initial steps were taken to provide city-wide water supplies, and to furnish the populace

²⁴ For instance, in 1832 sixty thousand immigrants were admitted to the United States — nearly three times the average of the five preceding years.

²⁵ In 1790 the five cities of the country with over 8000 persons had a combined population of only 130,000 inhabitants. As early as 1820 the number had increased to nearly 500,000 people. This was to a degree the result of European immigration.

²⁶ Among the most popular of these was the theory of rotation in office. See H. J. Ford, *The Rise and Growth of American Politics* (New York, 1898), Chapter XIII.

with added and more efficient police protection. Public sanitation came under consideration. All of these improvements demonstrate that the rapid growth and the increased complexity of city life necessitated the solution of a number of new city problems. As municipal administration became more and more complex, leaving it in the hands of spoilsmen likewise became more unwise.

The city council, during the first half of the nineteenth century, for the most part retained its dominating position in municipal affairs. Members of both of its branches came to be elected by popular vote. As the administrative functions of city government developed, they came to be entrusted by the council to its own committees. These multiplied by leaps and bounds — police, fire protection, schools, and streets — all were placed in charge of council committees. Indeed, the years of the middle nineteenth century might well be said to have marked the heyday of counciliar supremacy in American city government. Then came the reaction. The rapid growth of cities and the need of increased services placed a strain upon the old machinery. Moreover, city councils appear to have declined in the caliber of their membership. Council committees not only were overworked, but in many cases proved incompetent. These conditions resulted in the rise of an independent administrative branch of government. In New York, as early as 1830, provisions were made for the selection of administrative officers by the council, and later, in 1849, these officials came to be chosen by popular vote. Chicago and Cleveland followed suit in 1854. Popularly elected administrative officials failed to remedy the evils, however. Consequently, the citizen turned in desperation to his state legislature, requesting its assistance in order that inefficiency and corruption be checked. After 1850, state participation in local affairs came to be very common, and special laws were often passed regulating almost every phase of the city's activity.²⁷ In many cases functions were taken from the council

²⁷ By 1880 one dozen large cities had lost control of their police departments. Several were deprived of any voice in other phases of administration.

and given to state-appointed boards,²⁸ or given to boards directly chosen by the people.²⁹ Many of these in time were transferred to the category of officers over which the mayor's appointive power was extended. Thus the mayor began to play a more dominant part in city affairs.

THE PERIOD OF REACTION

(1865-1890)

With the end of the Civil War, conditions were ripe for an epoch of city growth such as we had never witnessed before. By 1870 there were 226 cities of over 8000 population; in 1890 the number had increased to 448. As a matter of fact, the years from 1865 to 1890 brought an increase in city population from twenty to thirty per cent of the total of the nation. By 1890 nearly 20,000,000 persons lived in cities and towns.³⁰ Much of this growth was due to the steady stream of immigration, to the development of railway and marine transportation, and to general expansion of commerce and industry. There was a general movement from rural to urban areas.

With the increase in population, the city faced an inevitable increase in functions. Continually, those activities which formerly had been left to private enterprise came to be regarded as being within the sphere of government. In most cases water supply and fire protection were among the first functions transferred from private to public control. It was also during this period that such matters as public health and hygiene began to receive more attention from our municipal authorities. Comprehensive schemes of street lighting were adopted, and modern pavement came into more general use. Municipal transportation facilities were improved with the introduction of the trolley system, and a great deal more attention was placed upon public elementary education, hos-

²⁸ In 1857 the state legislature provided a state park commission for New York, Brooklyn, and surrounding territory.

²⁹ An independent water board was established in Chicago by state law in 1851; the next year several independent boards were provided in Cleveland; in 1857 Detroit began the creation of such boards.

³⁰ W. B. Munro, *The Government of American Cities* (New York, 1912), p. 18.

pitals, and the creation of parks and public recreational facilities. With the rapid growth in population and in municipal functions, there is little wonder that corruption and maladministration came to be the order of the day.

Flagrant corruption and reckless spending, coupled with expansion in functions, inevitably led to a marked increase in city debts. In some cases attempts were made to hold the municipality within bounds by the establishment of statutory debt limits, or by other checks upon freedom to borrow on the city's credit. In many cases these attempts were not successful. In New York City, for instance, where the state had been most active in exercising local affairs, control fell into the hands of a well-organized group of professional politicians, the Tweed Ring, which used its power to enrich itself at public expense.³¹ In most cities unscrupulous political groups resorted to every known trick in order to establish and maintain political control.³² The giving and taking of bribes was a very common occurrence. Often businesses and individuals who wished only to be left alone were forced to pay tribute to city bosses in order to escape persecution. Taxes rose, debts increased, and a large portion of the money which came into the local treasuries was shamelessly squandered.

The reasons for such unparalleled corruption were many. The form of government itself was a standing invitation to political manipulation. Responsibility in each case was divided among a score or more individuals, boards, or commissions with such reckless abandonment that it was impossible to place the blame when things went wrong. One might assume that some effort should have been made by the electorate to fix responsibility, but such was not the case. The masses were apparently too ignorant or unconcerned to recognize the seriousness of the situation, while the rich and prosperous were too busy to devote much time to civic matters.

³¹ See James Bryce's *American Commonwealth* (2 volumes, New York, 1910), Vol. II, pp. 348-396, for a brief account of the organization and operation of the Tweed Ring.

³² The Philadelphia Gas Ring furnishes another excellent example of political manipulation.

Toward the close of the nineteenth century there appeared some gleams of light.³³ By this time the smoldering resentment of the people began to burst into flames. The New York Tweed Ring was dealt a crushing blow in 1871, and in 1881 the Philadelphia Gas Ring was driven from office. Popular disgust with the spoils method of disposing of Federal positions led to the passage of the Pendleton Act in 1883. Agitation for the extension of the merit system to state and municipal appointments led to its adoption by New York and Massachusetts in 1883 and 1884 respectively. Illinois, Indiana, and Wisconsin followed suit in 1895. The nineties also witnessed a number of improvements in municipal government and administration. One was a return to the early practice of holding state and city elections on different dates. This practice was not followed by all cities, however, for it had to brave the opposition of party organizations and the criticism of involving considerable extra expense. The abolition of the bicameral council, the reduction in size of the council, the substitution of election at large for election by wards, and the abolition of aldermanic checks upon the mayor's appointing power all gained headway in some cities prior to 1900. But the reform movement labored under tremendous handicaps, for public sentiment was hardly ready for complete demolition of existing municipal institutions. In most localities, the reformers succeeded in gaining public interest during the campaign, but enthusiasm dwindled soon after election day. Municipal reform also suffered from frequent championship of so-called halfway measures which were put over with tremendous enthusiasm, but accomplished little after their acceptance. In order to gain support of many proposals, reformers were often forced to promise more than their measures could possibly achieve.

Some definite results were realized. Step by step, popular sentiment made itself felt. The mayor, during this period, evolved into an administrator in fact as well as in name. In

³³ See Carl R. Fish, *The Civil Service and Patronage* (New York, 1903), Chapter X, for an excellent account of the early battle against spoils.

several of the larger municipalities, he was given both power to appoint and remove at pleasure.³⁴ His term of office was increased to four years in many localities. Everywhere the tendency was to crystallize authority and responsibility in the hands of the municipal chief executive who had often proved himself to be the champion of good government. The council, in the thirty or forty years following 1850, in many cities came to be mainly concerned with making the by-laws and passing the annual appropriations. Many of its other powers were transferred to the mayor, to various executive officials and boards, or in a few cases to state-appointed commissions.³⁵ Again, let us say that the period witnessed the transfer and concentration of more power and responsibility in municipal affairs in the mayor.

THE PRESENT CENTURY

The foundation for better municipal government, which was laid in the latter part of the nineteenth century, made way for the development of a more positive program in the twentieth century. In most cases the bicameral system has been replaced by a small, single-chambered body, and the tendency to concentrate authority in the hands of a single executive has become popular. Especially in those cities which continue to operate under the mayor-council form of government has the council lost power to the mayor.

Early in the century new experiments in city governmental structure resulted in widespread changes in form. Soon afterward, in 1900, Galveston adopted the commission form of government. All powers which were formerly vested in the mayor, aldermen, and subsidiary agencies of city government were given to a popularly elected commission of five. Other Texas cities, noting the improved conditions in Galveston, asked the legislature for new charters; and within a short time, Houston, Dallas, El Paso, Austin, and Fort Worth had

³⁴ One of the earliest cities to abolish the practice of confirmation of appointments by the council was Brooklyn, in 1892.

³⁵ Such did not occur in all cases, of course. In Philadelphia and Chicago, for example, the city councils continue to hold a great deal of power.

followed its example. Des Moines adopted a similar plan in 1907. Between 1907 and 1914 the plan spread both east and west, overturning the older forms of municipal organization like a set of tenpins.³⁶

Enthusiasm at the same time became centered in another new form of government, the council-manager, which was first adopted by Staunton, Virginia, in 1908. However, it remained for Dayton, Ohio, to give nationwide publicity to the plan. Today we have over seven hundred cities and towns operating under council-manager government.

These changes in organic structure have gone hand in hand with a number of other administrative improvements, such as improved personnel practices and the installation of more scientific methods and procedures in budgeting and accounting. Recent efforts to prevent the issuance of noncompetitive contracts, padded pay rolls, and patronage purchases have proved quite successful in improving city administration. In addition, as was pointed out in the first chapter, recent years have witnessed the development of many state administrative controls over cities. With the adoption of improved methods, cities have frequently found that they are able to provide additional or make marked improvements in their services with the same or even smaller incomes. Measurable results have been particularly noticeable in the improved quality of police and fire protection, municipal sanitation, care of public health, and recreation. In these fields, as in many others, first emphasis is rapidly being placed on the selection and training of personnel in order to recruit and maintain competent staffs. A great deal of the credit for this improved tone in city affairs should go to an ever-increasing group of municipal organizations, both citizen and professional.³⁷ In the objectives

³⁶ For a discussion of the commission plan, see Chapter XIV.

³⁷ Among the various citizens' and civic organizations are the National Municipal League, various citizen-sponsored and -supported bureaus of municipal research, civic leagues, leagues of women voters, chambers of commerce, taxpayers' associations, and various service clubs like the Exchange, Lions, Rotary, and Kiwanis.

Since 1894, a group of national governmental organizations has been developed. Some of these are: The American Municipal Association (the AMA is

and accomplishments of these organizations, one sees evidences of a growing professional and civic consciousness, without which good city government is impossible.

As we have noted, the turn of the last century brought about an improvement in municipal governmental organization. Likewise, it marked an increased interest in perfecting the technique of city administration, as well as an awakening on the part of the citizen to the necessity for improving his local government. There seems to be little doubt that we shall continue to make progress in the management of our American cities. No doubt we shall continue to increase and improve municipal functions, and at the same time reduce the cost of these services to the citizen. How is all this going to affect the future growth of American cities?

The rise and growth of cities throughout this country has been one of the notable phenomena of the last century. The question is: Are they likely to grow as rapidly in the future as they have in the past? Cities are very sensitive to any reversal in the normal progress of industrial and commercial life. A breakdown of industry, commerce, and transportation, or a prolonged and exhausting war tends to cause cities to decline. On the other hand, great advances are being made daily in municipal sanitation and public health, and constant arrangements are being made for giving better protection to life and property. But will the drift to our cities continue as it has in the past? Country living has been greatly improved, and farming has become less rigorous. Improved highways, electricity, radios, automobiles, airplanes, and numerous modern conveniences have tended to make the countryside

a National Federation of State Leagues of Municipalities; state leagues are to be found in approximately forty-two states today, beginning with Indiana in 1891), American Public Welfare Association, American Public Works Association, American Society for Public Administration, American Society of Planning Officials, Civil Service Assembly, Council of State Governments, The International City Managers' Association, Municipal Finance Officers Association, National Association of Assessing Officers, National Association of Housing Officials, Public Administration Service, United States Conference of Mayors, National Institute of Municipal Law Officers, International Association of Fire Chiefs, International Association of Chiefs of Police, National Recreation Association, Governmental Research Association, and others.

a place for better living. Future inventions no doubt will make it more attractive to greater numbers.

There are other factors to consider. Around 1870 in England, somewhat earlier in France, and at various later dates in other countries, the rising curve of population tended to flatten out. Perhaps with the exception of Holland, most of the advanced industrial countries show a strong inclination toward equilibrium. Only in those countries which are least industrialized and in which pioneer conditions still exist is there a lag in reaching stabilization.

To many, the controlled breeding of man is a mark of a higher civilization. On the other hand, it seems evident that in the past, fecundity has been associated with rural life and sterility with metropolitanism. As a rule, American cities of over 25,000 do not reproduce their population, and as the size of the city increases, the rate of population increase declines.³⁸ As Lewis Mumford says, "In short, urbanism results in a decline of animal faith; and without this faith there is no urge to reproduction. Without migration from the rural areas, the bigger towns would be steadily depopulated through their ineptitude for life."³⁹

These changes in man's mode of living have taken place as a result of human choices, human inventions, and human scientific advances; they may be modified, changed, or reversed by other methods. Surely, in a world that changes as rapidly as ours, no wise man would venture a prediction as to the future of the American city.

The atomic bomb has led some to suggest that our cities be built underground, and others to propose a resettlement of our population and industries in smaller communities. To think of the economic, social, and political problems involved, in case either were undertaken, staggers the imagination. And aside from these factors, consider the technological and financial problems which a dispersal of cities and industries would involve. No doubt, in order that such a re-

³⁸ See Lewis Mumford, *City Development* (New York, 1945), pp. 172-177.

³⁹ *Ibid.*, p. 174.

location plan be executed, it would be necessary to carry it out on a national scale. It would very probably have to be done at public expense and under public control. Residents and industrialists alike would be told where they could or could not locate. If we must practically destroy our urban industrial civilization, admitting that it is far from perfect, or if we must crawl underground in order to achieve immunity against the ravages of atomic warfare, it might be preferable to have the bombs rain upon us; or, more wisely, we could exert our best efforts to bring about some effective organization for world peace.

Again let us ask the question: Shall we become a nation of great metropolitan areas, or one which is dotted with numerous smaller communities? The present thought would lead one to look in the direction of decentralization. We are coming to associate better living with the opportunity to develop human personality and provide social needs. The country is not only a producer of food but a breeder of men. It is kinder to life than the best of our cities. The birth rate is one index to this vitality; the mortality tables are another. In England we find that the clergyman, the country squire, and the peasant have the longest expectation of life.

This chapter has been necessarily very brief. To trace the history of American city government in any detail would require a volume or more. It is a task which still remains to be done. When space is at a premium, generalizations will abound, and generalizations are always dangerous. Exceptions could be made to many of our statements, but it is hoped that we shall be pardoned for errors due to an attempt to generalize, since our chief concern has been to point out trends in municipal development. An attempt to qualify such statements would tend to confuse the reader.

The City and the State



IN OUR system of government the control of local affairs has been left to the states, there being no reference in the Federal Constitution to local government. The city, therefore, is the creature of the state, subject to the will of the state in all things. In a broad sense, however, the city is created by the state for the convenience of the inhabitants of a particular area and not, as is the county, for the more convenient exercise of the powers of state government.

Despite the legal subordination of the city to the state, we like to think of our cities as important units of democratic local self-government, indispensable elements in the organization and operation of democracy. It seems that this attitude stems from the belief that there is a definite list of public functions which, being primarily of local interest, belong by right to the local unit, and that the power to decide policy with regard to these functions belongs to the local citizenry. The application of this concept has been a perennial problem of state-city politics. Which public functions should be performed by the state and which by the city? Which functions should be shared or administered jointly? How much state supervision should there be? These and other questions lie in wait for future legislative sessions and constitutional conventions.

The state's intent with regard to the city has traditionally been expressed in the state constitution and in the acts of the state's major policy-making agent, the legislature. In the in-

terpretation and enforcement of these policies, the courts have had a paramount role. Throughout most of our history the state administrative agencies have exercised no extensive authority over cities. However, modern practice is tending to shift to the state administration more and more responsibility for the supervision of city affairs. It will be our purpose here to bring together the major elements of the city-state relationship, the constitutional, legislative, administrative, and judicial.

THE CITY AND THE STATE CONSTITUTION

We have seen that cities are the legal creations of the states in which they are situated. This being the case, it is necessary that authority be given in the state constitution or in legislative acts for the formation of a municipal corporation. Let us look first at state constitutions to see what basic principles have been laid down for the conduct of municipal affairs.

The early state constitutions generally ignored the city. In the absence of specific constitutional restrictions to the contrary, the state legislatures were free to deal as they saw fit with the forms and functions of city government.¹ In contrast to this situation, our present state constitutions generally contain many provisions concerning municipal government. This does not mean that the legislature has been divested of its control over cities, but rather that its control is no longer untrammelled.

The legislature was itself largely responsible for the appearance in late nineteenth century constitutions of limitations designed to "protect" the city. Earlier provisions limiting the authority of the legislature were inserted in state constitutions largely by inadvertence and with little or no intention to protect the city.² During the years following the Revolution,

¹ Howard Lee McBain points out in his book, *The Law and the Practice of Municipal Home Rule* (New York, 1916), p. 29, that although the revolutionary constitutions of New York (1777), Pennsylvania (1776), and Maryland (1776) made specific reference to municipal corporations, the provisions did not in any sense guarantee to cities immunity from legislative control.

² *Ibid.* McBain also states: "Moreover, there were unquestionably some instances in which constitutional conventions acted more or less blindly in taking over certain provisions relating to cities from the constitutions of other

the state legislatures came gradually to exercise a detailed control over municipal affairs. No local matter was so unimportant that it might not be legislated upon at the state capital. No important city could long entertain the notion that it maintained freedom of action in local matters. Functions, offices and officers, fees, fines, taxes, forms of government, all these and more the legislature periodically passed through its lawmaking machinery.

In time the situation became intolerable, and provisions directed at a curtailment of the special attention given by the legislatures to individual cities were inserted in the state constitutions. In addition, a positive attempt was made to provide cities with a field of authority, local in nature, which would be free from legislative interference. Several of these developments, together with certain important constitutional limitations upon cities appearing in existing constitutions, will be briefly discussed in the sections which follow.

Prohibition of Special Legislation. The constitution adopted by Ohio in 1851 contained a clause which provided that "the general assembly shall pass no special act conferring corporate powers." Although this provision was directed at checking the evils resulting from the granting of special charters to private corporations, the language was broad enough to include municipal corporations as well. The Ohio Constitution also contained a section which declared that "the general assembly shall provide for the organization of cities, and incorporated villages, *by general laws . . .*"³

During the two decades following the adoption of the Ohio Constitution of 1851, several states wrote into their new constitutions prohibitions against special legislation and the requirement that cities be organized under general laws. However, the requirement of the Illinois Constitution of 1870 that all cities be incorporated under the general law was perhaps

states — provisions in respect to the origin of which they probably knew very little indeed. On the other hand, it is a matter of no difficulty whatever to locate the precise legislative abuse that was aimed at by many of these provisions and to find their origin in the book of bitter experience."

³ See the *Ohio Constitution*, 1851, Art. XIII, Secs. 1 and 6, for these provisions.

the first to be specifically designed for the protection of cities.⁴ At the present time, many of the state constitutions contain provisions which prohibit the passing of local or special laws affecting municipal corporations and require that municipalities be organized under general laws.⁵

By and large, these provisions have given many cities, particularly the smaller ones, considerable protection against the periodic and detailed legislative meddling of former years. In other words, a measure of stability has been introduced into the legal basis of municipal government. On the other hand, a general law may be almost as detailed and restrictive as a special law. In numerous instances legislatures have ignored special law prohibitions, continuing to give individual attention to cities until the courts made clear the restrictive character of the constitutional prohibitions. Also, legislatures have resorted to specious classification of cities, the principle of classification by which so-called general laws could be written for the single city in a population class having been found acceptable to the courts.⁶ The larger cities have been particularly subject to this type of "general" legislation. Furthermore, laws have been passed which, though general in form, could only apply, because of the subject matter, to a specific city.

Speaking broadly, therefore, it seems clear that the constitutional requirements for general legislation, either direct, or indirect by prohibiting special legislation, have not in practice established a satisfactory legal relationship between the city and the state. In the final analysis, the effectiveness of the

⁴ See McBain, *op. cit.*, Chapter III, for an authoritative discussion of the development of constitutional prohibitions against special legislation.

⁵ The constitutions of about thirty-five states prohibit special or local legislation incorporating municipalities or amending their charters. See *The Municipal Year Book*, 1945 (The International City Managers' Association, Chicago, 1945), p. 93.

⁶ Population has often been used as the basis of classification, and it is generally considered a proper basis if not unreasonable in having no relation to the purpose of the law. However, courts have oftentimes made very loose applications of the classification principle, permitting the legislature to deal with an individual city as though no prohibition existed. See *ibid.*, pp. 90-91, for data on classification by population.

prohibition against special legislation depends upon the attitude of the courts and upon whatever forbearance the legislature chooses to exercise.

Home Rule. With the adoption of the Missouri Constitution of 1875, a significant approach to the problem of city-state legal relationships was undertaken. The principle incorporated into that constitution has since been written, with varying phraseology, into the constitutions of eighteen other states.⁷ It has been likened to the principle of federalism applied in the National Constitution to the nation and states, by which a large measure of political autonomy has been secured to the states. In its application to cities, the principle is generally referred to as "municipal home rule" or simply "home rule."

The Missouri Constitution stated: "Any city having a population of more than one hundred thousand inhabitants may frame a charter for its own government, consistent with and subject to the Constitution and laws of this State . . ." ⁸ The new Missouri Constitution, adopted in 1945, similarly extends home-rule rights to cities with over 10,000 population.⁹ The home-rule provision in the Texas Constitution reads in part as follows:

Cities having more than five thousand (5000) inhabitants may, by a majority vote of the qualified voters of said city . . . adopt or amend their charters, subject to such limitations as may be prescribed by the Legislature, and providing that no charter or any ordinance passed under said charter shall contain any provision inconsistent with the Constitution of the State, or of the general laws enacted by the Legislature of this State. . . .¹⁰

⁷ These states are: Arizona, California, Colorado, Idaho, Maryland, Michigan, Minnesota, Nebraska, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Texas, Utah, Washington, West Virginia, and Wisconsin. Although the Pennsylvania Constitution authorizes the Legislature to provide home rule for cities, no action has been taken by the Legislature. Maryland is sometimes listed with the home-rule states because Baltimore, by virtue of its consolidation with the county, is a home-rule city under the provision of the Constitution extending home rule to counties. Nevada has made municipal home rule possible to all cities by means of a statutory provision. See *ibid.*, p. 92.

⁸ *Missouri Constitution*, 1875, Art. IX, Sec. 16. However, other sections of this constitution, according to the courts, applied specifically to St. Louis.

⁹ *Ibid.*, 1945, Art. VI, Sec. 19. ¹⁰ *Texas Constitution*, 1875, Art. XI, Sec. 5.

Although there are certain significant variations in the constitutional statements of home rule, these examples serve to illustrate in general the approach taken.

It seems, then, that the home-rule movement is an attempt to set off a field of local affairs by means of a constitutional statement of principle over which the state legislature would have no control.¹¹ The outstanding feature is the right of a city to frame, adopt, and amend its own charter. In this manner, the city may devise its own form of government, lay out its basic governmental procedures, and empower its legislative body as it desires (within the field of local affairs). This does not mean that the state has decided to forego the exercise of its authority in all things having some local significance. Rather, the state will exercise authority over matters of statewide concern, and the community over affairs of local concern. This is the crux of the problem of home rule.

Unless the general grant of powers is supplemented with an enumeration of matters over which the municipality is clearly given authority, a policy not generally followed by the home-rule states, there exists an extensive twilight zone between matters of state and matters of local concern. It is the existence of this area of doubt that has led to confusion and disillusionment over the operation of home rule. What is local, what is state? The question has often been raised in our courts.

It has been suggested, writes C. M. Kneier, that "constitutional home rule transfers the fate of cities from the legislature to the courts."¹² Upon the courts has been placed the burden of determining, bit by bit, the outlines of municipal autonomy. And though the courts have been in general

¹¹ The Missouri Constitution of 1875, Art. IX, Sec. 25, however, added a reservation to its grant of home rule for St. Louis, which was the only city having a population of more than 100,000 at that time, in the following words: "Notwithstanding the provisions of this article, the General Assembly shall have the same power over the city and county of St. Louis that it has over other cities and counties of this State." No similar statement is contained in the recently ratified Missouri Constitution.

¹² Charles M. Kneier, *Illustrative Materials in Municipal Government and Administration* (New York, 1939), p. 45.

agreement on the municipal character of some functions, they are hopelessly divided on many others.¹³

The two outstanding problems, therefore, in connection with home rule have been the difficulty of separating state and local matters and the legal complications which have arisen in connection with this difficulty. Professor McBain suggested many years ago that it would be possible, and highly desirable, to add to the general grant of powers over local affairs a specific enumeration of powers which might be exercised by cities, particularly those powers over which actual difficulties had arisen in the home-rule states.¹⁴ However, this approach has not appealed to the states. For instance, one of the newest state constitutions, that of Missouri, the state which launched constitutional home rule, does not enumerate powers in addition to the general grant.

The advantages which come with home rule may be briefly stated as follows: (1) Every home-rule community may have the form of government and the range of local powers and function which the people of the community desire. (2) The charter may be drawn up locally, in the open, by the residents of the community, and must be adopted by the electors themselves. (3) Whenever changes in local government are really needed or desired, they can be had by local action instead of relying upon the legislature. (4) The legislature is relieved of much time-consuming and expensive labor in devising laws for local communities. The result will be a better legislature and better general laws, to the great benefit of the entire state. (5) The entire home-rule process is distinctly educational to all the voters of the community. Some are called to work on the charter commission; others must learn at least a little about charters and amendments because they must vote upon proposed changes. This is good training for the citizen. (6) With greater public interest in local affairs, there is a reduction of corrupt practices.

¹³ See Joseph D. McGoldrick, *Law and Practice of Municipal Home Rule*, 1916-1930 (New York, 1933), Chap. XIV.

¹⁴ McBain, *op. cit.*, p. 672.

On the other hand, a few disadvantages to home rule have been pointed out: (1) The difficulty of separating local interests from state powers is sometimes pronounced. (2) Often legal complications are involved. Until after the new charter and the resultant legal cases, in which the adopting government is a party, are decided, the local government scarcely knows what powers it possesses. (3) Often much expense is involved. (4) Lastly, it often might be termed a demagogic government.

Lord Bryce once said, "The practice of local self-government is the best school of democracy, and the best guarantee for its success." Surely democracy does need self-government as a foundation, for in many cases a state legislature cannot give the needed relief to a bad local situation without violating, in spirit at least, the prohibition against special legislation. An active local citizenry can do much to procure and maintain its own salvation.

There is practically no outright opposition to the general principle of local self-government in this country. Yet it is difficult, if not impossible, to get general agreement on how the principle can best be effectuated. Opinion is divided as to whether or not the traditional home-rule technique is our best answer to date.¹⁵ Furthermore, the development of inter-governmental control of certain public functions during the past decade or so has introduced a new factor into the problem. In such fields as public health and welfare the Federal, state, and local governments are becoming more closely associated in matters of policy and administration. When this development occurs, it may be increasingly difficult to apply the traditional home-rule principle.

¹⁵ George C. S. Benson, in his study of "Sources of Municipal Powers," *The Municipal Year Book*, 1938, pp. 149-165, makes this interesting observation: "A tentative conclusion to be drawn from these data is that home rule, with the exception of the Wisconsin type, has been helpful but not of great importance in enlarging the zone of municipal activity, no matter how useful it may have been in relation to forms of government. . . . The psychological value of home rule also is something to be reckoned with, though the psychological value of optional charters seems to be equally great. Further study will be necessary before we can substantiate any conclusion."

Limitations upon Municipal Taxation and Debt. We have noted that our present state constitutions ordinarily contain a number of provisions relating to the forms and functions of municipal government. Some, as we have seen, require the legislature to deal with cities by general laws; in others much reliance is placed on municipal home rule. In many instances there are other constitutional provisions which place limits upon municipal action. Perhaps the most important of these relate to municipal finance.

Limits upon municipal tax rates and debts first appeared in state constitutions shortly after the middle of the last century. Whatever the original reason for these limitations, it is now beyond question "that in practical application these restrictions have come to be regarded as guarantees to the taxpayers of a degree of immunity against municipal extravagance and incapacity."¹⁶

The traditional municipal tax is the general property tax, and there was a time when municipal revenues were derived almost entirely from this tax. As a matter of fact, it still provides the major source of income for most of our cities and towns, even though other taxes have been added.

State constitutions commonly impose limits on the amount of property taxes that may be levied by cities. Although these limits may be expressed in several ways, it is quite common to find the maximum stated as a percentage of the assessed value of property subject to municipal taxation. The new Missouri Constitution provides a maximum property tax limit for municipalities of \$1 per \$100 assessed valuation.¹⁷ The Texas Constitution limits home-rule cities and cities of over five thousand population to a maximum of \$2.50 per \$100 assessed valuation; cities of less than five thousand are restricted to a maximum of \$1.50 per \$100 assessed valuation.¹⁸ Other states have incorporated similar limits, varying usually from \$1 to \$3, in their constitutions.

¹⁶ McBain, *op. cit.*, p. 55.

¹⁷ *Missouri Constitution*, 1945, Art. X, Sec. 11.

¹⁸ *Texas Constitution*, 1875, Art. XI, Secs. 4 and 5.

Tax limitation has been widely condemned. A. E. Buck writes:

Tax-limit schemes, regardless of what form they may take, are purely negative in their effect on local finance. They generally lack constructive elements of any kind. They are merely naive devices, usually resorted to in times of depression, and they afford no lasting solution to local fiscal problems. They fail to provide an approach to an effective tax system for local governments, or to budgetary control over expenditures. They do not promote the establishment of a sound fiscal policy, even when economic conditions are most propitious. They complicate the organization of local governments in many areas by encouraging the creation of overlapping districts.¹⁹

On the other hand, a spokesman for the National Association of Real Estate Boards, an association which has vigorously supported tax limitation in recent years, has this to say:

It must not be supposed that the proponents of tax limitation put forward such a measure as something ultimate, to be retained always. We advance it only as a method which meets, practically, an urgent present need. Real estate is, and always will be, out in the open, vulnerable to tax attack. At a time when economic relationships are undergoing profound upheaval, real estate is the one form of wealth which cannot hide or withdraw. For the present, it is not too much to say, it must have some such adjustment as a limitation gives.²⁰

These viewpoints permit no compromise. The state constitution must either contain effective tax limitation laws or none at all (unless they are placed so high as to be meaningless). The prevention of waste and extravagance in public expenditures is a highly desirable objective. The record of the past fifty years, however, does not support the argument that the most effective means of accomplishing this objective is through rigid constitutional limitations on real property

¹⁹ A. E. Buck, "The Case against Tax Limit Laws," *Property Tax Limitation Laws* (Public Administration Service, Chicago, 1934), p. 13.

²⁰ Herbert U. Nelson, "The Case for Tax Limitation," *ibid.*, p. 11. The movement for tax limitation, it should be noted, has included statutory as well as constitutional limitations.

taxation. As Harvey L. Lutz points out, "The question of public extravagance is seldom one to be settled in wholesale fashion, but according to the detailed circumstances of each case."²¹

In addition to tax limitations, the constitutions of most states contain provisions restricting the power of municipalities to incur debts. A group of states places a limitation on the total debt, usually stated as a percentage of the assessed valuation of property for taxable purposes. Others require a local referendum on bonds which will bring the total debt above certain limits. A few require a referendum on all local bond issues. Some states limit the maximum period for which loans may be made, and a few leave the regulation of municipal debt to the legislature.²²

It appears that there has been less objection to the limitation of municipal debt by the state than to the limitation of taxes. As has been pointed out, the state has a very real interest in preserving the public credit, and for this reason it cannot ignore the subject of municipal debt. Although there is wide agreement as to the need for debt control by the state, there is no general approval of rigid constitutional provisions as the means of achieving this end. There is evidence of the increasing popularity of the technique of state administrative supervision of municipal debt, rather than the fixing of arbitrary limits in the constitution, as a means of preserving a sound public credit.

Restrictions on Urban Representation. A number of state constitutions contain provisions which result in underrepresentation of urban areas in the state legislature. This result is obtained in some cases by direct limitation, in others by indirect means. The state constitutions often require that each county have at least one representative, and a few extend this requirement to include senators, regardless of population. The constitutions of Kansas and New Jersey, for example, appor-

²¹ Harvey L. Lutz, "Motives behind the Tax Limitation Movement," *ibid.*, p. 20. For further pro and con argument see Hillhouse and Welch, *Tax Limits Appraisal* (Public Administration Service, Chicago, 1937).

²² Kneier, *op. cit.*, pp. 331-335.

tion members of the house on the basis of population, but each county is guaranteed at least one representative. Again, the constitutions of Wyoming and Vermont apportion members of the senate on the basis of population, but allot each county at least one senator.²³ In some cases the effect of such provisions as these is to provide overrepresentation of rural areas. On the other hand, such cities as Houston, Atlanta, Jacksonville, and Des Moines are underrepresented because of constitutional provisions limiting the total number of representatives from any one county. These limitations directly prevent the granting of representatives to urban areas in proportion to population.²⁴ Urban representation will be treated later in this chapter when the relationship of the city and the legislature is discussed.

Other Provisions. Most of the important constitutional provisions affecting municipalities have been briefly touched upon in the preceding discussion. However, it is not uncommon to find in our state constitutions other provisions relating to municipal affairs. The large metropolitan cities, for example, may be singled out for some special attention. A specific power, such as the authority to adopt zoning regulations, may be granted municipalities. The constitution may forbid an increase in the compensation of municipal officers or the extension of the term of any officer during the term of office. Requirements of citizenship and residence for elective municipal officers may be found in some state constitutions. In some cases specific officers may be provided and perhaps their powers indicated. The state legislature may be prohibited from levying taxes for local purposes, or from interference with local streets and highways, or from appointing commissions to supervise or interfere with local government. This list could be extended, but it is sufficient for our purposes that the existence of these miscellaneous constitutional provisions be

²³ These examples were taken from the digest of constitutional provisions for apportionment of state legislatures in *The Book of the States, 1943-1944* (The Council of State Governments, Chicago, 1943), pp. 145-147.

²⁴ See Douglas H. MacNeil, "Urban Representation in State Legislatures," *State Government*, Vol. XVIII, No. 4 (April, 1945), p. 59.

indicated. It should be remembered that despite the constitutional attention to municipal affairs, the elaboration of the organization and powers of city government is carried out, by and large, by the state legislature.

THE CITY AND THE STATE LEGISLATURE

We have previously noticed that at one time the state legislatures enjoyed almost complete power over cities, unhampered by limitations in the state constitutions. With the passage of time, the growing urban centers received more and more attention from state legislatures. By the middle of the nineteenth century the situation had developed into a political free-for-all, in so far as the cities were concerned; local politics were decided at the behest of the politically powerful, with little or no regard for local wishes. This condition eventually led to efforts to limit the power of the legislature over cities by constitutional means. In this the cities were partially successful during the late nineteenth and early twentieth centuries. Today, the state constitutions ordinarily place some limits on legislative action with regard to cities and towns.

Despite the constitutional limitation of legislative power, state legislatures possess a great deal of authority to deal with municipalities; the majority of our cities still look to the legislature for their organization and powers.

Urban Representation. In view of the extensive authority of the state legislature over cities and towns, it is pertinent to inquire into the bases of legislative representation. The comment is frequently made that highly urbanized areas do not have representation in the state legislatures proportionate to their population and economic importance in our society, and that this condition is due to rural opposition in state legislatures and constitutional conventions.

The apportionment of representatives to our state legislatures has always been a difficult problem, and the rise of an urban society in a once rural country has brought additional legal and political complications. Without question, rurally

dominated legislatures, a condition holding over from a time when the country was largely rural, have generally resisted an infiltration of urban representatives sufficient in number to break the rural leadership. This struggle has had numerous manifestations. We have noticed that state constitutional provisions sometimes, directly or indirectly, bring about an underrepresentation of urban areas in one or both houses of the state legislature. More important perhaps than these provisions has been the failure of the state legislature, the customary agency for reapportionment, to reapportion the state at periodic intervals, despite the fact that it is commonly directed by the state constitution to do so after every Federal census. The combination of constitutional provisions and legislative inaction has brought about a general overrepresentation of rural areas in comparison with urban areas.²⁵

A recent study of sixty-seven large cities in forty-four states indicated that underrepresentation exists for the largest city in thirty-one of the forty-four, and that only three states accorded greater representation to their chief city than an apportionment based upon population would provide. All the ten largest metropolitan centers were found to be underrepresented, if population were the criterion.²⁶ However, within recent years some inroad upon the rural dominance of the state legislature has been made. Reapportionment in New York in 1943 increased New York City's representation in the Assembly. Missouri cities, particularly the metropolitan area of St. Louis, are assured of greater equality of representation through the adoption of the new state constitution.²⁷

²⁵ See the following articles: Stuart A. MacCorkle, "Texas Apportionment Problems," *National Municipal Review*, Vol. XXXIV, No. 11 (December, 1945), p. 540; Louis C. Dorweiler, Jr., "Minnesota Farmers Rule Cities," *ibid.*, Vols. XXXV, No. 3 (March, 1946), p. 115; H. V. Thornton, "Oklahoma Cities Weakened," *ibid.*, No. 6 (June, 1946), p. 295; Dean E. McHenry, "Urban vs. Rural in California," *ibid.*, No. 7 (July, 1946), p. 350.

²⁶ MacNeil, *op. cit.*, p. 60.

²⁷ See Victor D. Brannon, "Missouri's Apportionment Key," *National Municipal Review*, Vol. XXXV, No. 4 (April, 1946), p. 177; and John A. Perkins, "State Legislative Reorganization," *The American Political Science Review*, Vol. XL, No. 3 (June, 1946), p. 511.

It has been suggested that the domination of legislatures by rural interests is partially responsible for the growing tendency of large cities to seek to by-pass the states in their negotiations with Federal agencies. There is no clear proof that this is true, but it has long been known that cities, particularly the larger ones, have felt that the state legislatures are not willing to deal fairly and understandingly with city problems.

Without delving further into the problem of urban representation, it is clear enough that the existing bases of representation in state legislative bodies often create a condition which allows the rural contingent to dictate urban policies. This is not to say that all problems would be solved if recalcitrant rural interests would only permit an equal representation on the basis of population. The matter is not that simple. At any rate, there does not seem to be any immediate prospect of an equitable division of state legislative seats between urban and rural areas.

City Charters. Each incorporated city has a charter. It corresponds in a general way to the state and Federal constitutions, serving as the basic law of the municipality. City charters are ordinarily grants of the legislature and do not, except in the case of home-rule charters, stem directly from the people.

The charter provided by the legislature is not likely to be a single articulated document. Only in the home-rule city is one likely to find the charter, or at least a large part of it, contained in a single printed pamphlet. The legislative charter is usually to be found in the statute books of the state, intermingled with a multitude of other state laws.

The original charter law enacted by the legislature has in practically every instance been amended on numerous occasions by the legislature, and many of the provisions have received judicial interpretation. In a broad sense, therefore, the city charter is composed of the original legislative enactment, the amendments, other general laws as they may apply, and court interpretations. Over and above this conglomerate charter stand the state and Federal constitutions, containing

provisions which may be considered a part of the municipal charter.²⁸

The charter should contain enough material to provide the main guide for policy and procedure. It should create and provide powers, duties, and obligations of public officers and employees, and place limitations upon such powers. It should define clearly the relationship of the public servants to the voters, the relationship of the public servants to one another, the duties of all officials and employees in broad general terms, and the limitations placed upon the exercise of discretion of officials. The first objective is not good government, but democratic government. Most city charters restrain power rather than bestow it, divide power rather than concentrate it. A charter should contain only well-seasoned and not too controversial provisions or radical changes, in order that it may be generally acceptable to the whole body of the electorate. Too many innovations in charter drafting act like a snowball rolling downhill, picking up all sorts of objections and opposition in its progress.

The first essentials of a good municipal charter are simplicity, brevity, and understandability. It should omit as much detail as possible. All procedural and administrative matters should be dealt with in comprehensive ordinances or an administrative code, subject to change by the legal governing body. It should be written in good, clear, simple, and concise English, and the sentences and paragraphs should be short. If possible, it should be brief enough to be read in a short time. The various provisions also should be plain, and not capable of two or more interpretations.

A good charter should provide for a simple, workable, responsive organization of the government. It should be simple so that all the citizens and officials may understand it. It should be designed not to check or retard the municipal business, but to promote it, to eliminate red tape, and to make the government more efficient by a reduction in the number of

²⁸ See George C. S. Benson, *op. cit.*, pp. 149-165. Also Thomas H. Reed, *Revising a City Charter* (Governmental Research Association, New York, 1947).

working parts. It should be responsive at all times to the force of public opinion and to the control of the electorate. One of the main objectives in drafting a city charter is to follow the tone of public opinion.

Another essential of a good charter is a comprehensive grant of powers to the city, in general terms, capable of meeting the future demands of the community.

Certain provisions are customarily found in the charter. The city boundaries are set forth, the form of government is outlined, and the general powers of the municipality are detailed with some care. Individual officers, such as the mayor, the councilman, the city manager, and the city attorney, receive some attention with respect to their special capacities. Municipal election procedures may receive attention. Certain administrative matters will likely be touched upon, particularly finance; and the organization and functions of certain departments may be given special mention. The more modern charters may contain sections on housing, planning, and zoning. Other matters are sometimes included. Some of these provisions will probably be written in considerable detail, while others will be general in form. Unfortunately, there will likely be a considerable amount of ambiguity and conflict in language, particularly in those instances where amendment has been piled upon amendment with little or no attention given to the entire content of the charter.

Throughout our colonial period and during succeeding decades, the legislatures followed the practice of granting special charters. In this case the legislature wrote for each city a charter and enacted it as any other legislative act. Later this charter might be amended by the legislature or a new one granted. Heretofore, we noted how the states, during the latter half of the nineteenth century, placed prohibitions in their constitutions restraining the legislatures from granting such special charters. A few states still permit special legislative charters;²⁹ but by and large, a majority of the state

²⁹ In Connecticut, Maine, New Hampshire, Rhode Island, Vermont, Delaware, Florida, Georgia, Maryland (except Baltimore), and Tennessee the munic-

legislatures are now required to provide charters by general legislation. A favorite method of complying with this requirement is by classification. Some states place the classification system on a constitutional basis, but others leave the entire matter to the legislature.

Under the classified charter system, the cities of the state are grouped into classes and a charter is written for each class. A number of years ago, George C. S. Benson found that "So wide is the range of state variation in this matter of classification that rigid grouping is difficult." Classification on the basis of population "has been used, unused, and abused in varying degrees throughout the country. Fourteen states . . . not only establish no statutory classification of cities by population; they even scorn to distinguish between cities and towns in population, and some do not even set a minimum population requirement for incorporation. On the other hand 16 states . . . have three or more classes of cities. Between these two extremes are two other groups." In one group a population distinction is made between cities and towns, but cities themselves are not classified, while the other group is limited to two classes of cities.³⁰

The system of classified charters is generally regarded as superior to the special charter method. Unfavorable special attention in the state legislature to individual cities is minimized, and a basis is provided for the treatment of a group of generally similar cities by general laws. On the other hand, legislatures have sometimes been able to deal individually

ipalities are governed almost entirely by special charters enacted by the state legislature and in some instances made effective without local action. *The Municipal Year Book*, 1945, p. 93. There are council-manager governments under this plan in Connecticut, Maine, Vermont, New Hampshire, and Tennessee.

³⁰ George C. S. Benson, "Classes and Forms of Municipal Government," *The Municipal Year Book*, 1938, pp. 168-169. This study has been revised and brought up to date by Norman N. Gill and Mary S. Benson in the 1945 edition, pp. 90-123. Certain states are defined as mixed classifiers, nine of them being designated as "loose" and three as "rigid." The former are Alabama, Arkansas, Illinois, Kentucky, Louisiana, Missouri, South Carolina, Washington, and Wyoming. The latter includes Indiana, Mississippi, and Pennsylvania. Indiana requires the mayor-council form. Mississippi allows the commission form by referendum. Pennsylvania permits the commission form in third-class cities, and the council-manager plan is made possible in boroughs and first-class townships.

with cities under the guise of classification. In some cases, cities with special problems seek such preferred treatment; in other instances they resent and oppose it. One of the major problems of classification is how to meet the special problems of individual cities, those problems which are unique because of the location and character of a particular city.

A number of states are referred to as "optional charter states" because they permit practically all cities a clear option of the three major forms of local government, namely, mayor-council, commission, and council-manager.³¹ Instead of writing a charter for each group of cities, as under the classified charter plan, the legislature under the optional charter method writes several charters and permits the cities in the state to choose from any one of them. Although the sometimes unreal criterion of population is avoided by the optional charter scheme, it appears to have no clear superiority over classified charters.³²

We have previously discussed the home-rule charter. It is possible to provide a measure of home rule through legislative enactment, with no constitutional statement of principle being involved, and a few states early in this century did have legislative home rule.³³ However, such a legislative grant is uncertain, being subject at any time to repeal. For this reason, the proponents of municipal home rule have favored the constitutional variety.

³¹ Fifteen states provide a set of optional charters from which a municipality may select one by vote of its electorate. The states in this class are: Colorado, Idaho, Iowa, Kansas, Massachusetts, Montana, Nebraska, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Virginia, and Wisconsin.

³² It is of interest that the Missouri Constitution of 1945, in Art. VI, Sec. 15, requires the General Assembly to provide by general laws for the organization and classification of cities and towns, the number of classes not to exceed four. The new Constitution of Georgia, ratified by the people on August 7, 1945, Art. XV, Sec. 1, requires the General Assembly to provide for optional plans of municipal government and a method by which the "municipality may select one of the optional uniform systems or plans or reject any or all proposed systems or plans."

³³ Harold Zink, in his *Government of Cities in the United States* (New York, 1939), p. 121, states that as early as 1858 Iowa granted a measure of legislative home rule, that at the turn of the century the states of Louisiana, South Carolina, and Mississippi joined Iowa, and that later Florida and Connecticut did likewise.

The state decides what communities may adopt home rule, since it is the state which has the supreme power over its own local autonomous units. It is stated in each state constitution, or general law, what freedom, what procedures may be taken by the local governments. By way of explanation, a brief mention should be made regarding the method of acquiring a home-rule charter in those states which provide for constitutional home rule. In some states the legislature has written an enabling act which sets forth, among other things perhaps, the procedure to be followed; in other states the procedure is detailed in the constitution. In general, and the details vary from state to state, the procedure is as follows: (1) The city council, on its own motion or by petition, passes an ordinance authorizing the election of a commission to draft a charter; (2) the members of the commission are elected by the local electorate; (3) the commission drafts a charter; (4) the charter is submitted to the city electorate for approval or disapproval. Once adopted, the home-rule charter constitutes the measure of local powers, and the acts of the municipality must be based thereon. Attention is again called to the uniform requirement that the charter and ordinances enacted thereunder must conform to the state constitution and the general laws of the state legislature.

The Allocation of Functions. The allocation of public activities between state and local units is to a considerable extent a function of the state legislature. Although state constitutions usually contain an assignment of certain functions to the various units of government, many others are subject to legislative action. Even in the home-rule states the legislature may deal with affairs of statewide concern, though in so doing municipal policies are affected. The state legislature, then, has a vital role in the adjustment and readjustment of functions between the state and local levels.

There has been a tendency in recent years to shift the performance of certain functions from the local to the state level. This shift has been particularly noticeable in the fields of education, highways, public utility regulation, police, and

public welfare. In North Carolina in recent years the state government has assumed responsibility for the maintenance of an eight months' school, for the construction and maintenance of all public roads except city streets, and for the custody of all able-bodied male convicts sentenced for terms of thirty days or more.

The adjustment of functions, however, has not always been an outright shift from one level to another, nor has it been confined to the state-local levels. As is pointed out in a following chapter, municipalities have entered into numerous formal and informal relationships with the Federal Government, involving in some instances the state government as well, but in others by-passing the state authorities. From these developments we are getting a considerable amount of joint participation in the performance of certain governmental activities. Whenever the cities are concerned in these arrangements, the state legislature is likely to be involved, too. Authority must often be granted and defined, agencies designated, and financial matters attended to; in other words, a new policy must be initiated by the legislature.

This realignment of functions has not as yet vitally affected the cities. More significant, perhaps, than the loss of functions by the municipality is the extension of state administrative control over municipal activities. At any rate, in all of this readjustment of functions and extension of state administrative control, the legislature exercises considerable authority by virtue of its general legislative power.

CHAPTER 4

The City and the State (Continued)



THE CITY AND THE STATE ADMINISTRATION

UNTIL recent years the relationship between the state and the municipality has been for the most part one of control by the legislature. Throughout most of the nineteenth century, state legislatures controlled their municipalities by special and general laws, and, it might be added, very largely without the aid of the administrative branch. Since the turn of the century, however, the state has tended to exercise its powers less through the legislature and more through administrative agencies, which are sometimes given broad powers for the purpose. The depression of the thirties accentuated this movement.

American practice, in the past, has been in sharp contrast with European procedure. The countries of Continental Europe have traditionally relied upon administrative rather than legislative control of local government. In England, despite the tradition of parliamentary supremacy, legislative supervision has been steadily abandoned in favor of the central administrative authorities. Hence the trend in the United States toward state administrative supervision over local affairs is not unique among the governments of the world.¹

The case for more administrative and less legislative super-

¹ For additional discussion see Schuyler C. Wallace, *State Administrative Supervision over Cities* (New York, 1928). For a recent general study on state-local relations see *State-Local Relations*, 1946 (The Council of State Governments, Chicago, 1946).

vision over municipalities is usually argued along the following lines. Administrative control permits flexibility in state supervision over municipal affairs. It provides opportunity for separate consideration of each local problem, and permits local variations on the basis of differing local needs. State legislatures today have neither the ability nor time to examine the requirements of each city, and variations which they do make often rest on a basis of favoritism or caprice rather than actual need. Discretion, so essential to administration in a technical age, can be made an actuality by the use of administrative control. Furthermore, administrative control has the added advantage of making management by experts possible — the power of supervision is vested in the hands of those who ought to be competent to exercise it. The function of the legislature is that of stating the basic policy, criticism, and investigation.

Assuming that a measure of state supervision over municipal activities is necessary, a condition which has long existed and is well grounded in legal and economic considerations, the more practical arguments support the exercise of the details of control by the administrative arm of the state government. On the other hand, many of the states must first improve their own administrative standards if increased supervision is not to develop serious weaknesses in practice.

It should not be understood, however, that it is seriously proposed nowadays that the state administration enter into a detailed guidance of municipal affairs, or that it is thought that the state administration should bear no other relationship to the city than that of outright control. As we shall see, the state-municipal administrative relationship is more one of guidance, counsel, and advice than it is of authoritarian state control.

State Services to Municipalities. State administrative agencies provide a variety of services for municipalities. Some of these are designed for the particular aid of cities, while others have a more general purpose in view. Some are provided without direct charge to the city, while others are extended upon a cost or other contractual basis.

State agencies quite generally prepare annual or biennial reports based upon their current activities. Some of these are brief and quite general, but others contain a great deal of detailed information. The annual report of the state tax commission, for instance, may show comparative tax data for the various units of government; that of the department of education will likely review public school developments and present a statistical picture of the state's educational system; and the health department may provide in its report a variety of information relating to health conditions throughout the state. These and similar reports are of value to cities, mainly for the comparative data which they contain, and sometimes for the cues to recently developed administrative practices.

State law sometimes requires a state administrative agency to prepare reports which are of direct interest to municipalities. In Texas, for example, the legislature has directed the state auditor to prepare an annual report on ad valorem taxes and indebtedness of local units of government in Texas.² Other state agencies throughout the country, such as the departments of health, have developed in conjunction with their major activities procedures for reporting pertinent data to local officials.³ In those few states where a bureau or commission of local government has been created, reports, studies, and miscellaneous information are prepared with the needs of the local units in mind.⁴

Some state agencies have developed programs of assistance to local government units which go far beyond the usual

² See The State Auditor, *Report on Taxes and Funded Indebtedness of Local Units of Government in Texas for the Year 1944* (Austin, 1945).

³ The Massachusetts Commissioner of Corporations and Taxation, in his Thirty-fourth Annual Report on the *Statistics of Municipal Finances* (1939), writes as follows: "It may be noted that this report marks the expiration of a third of a century since the original publication was issued. The existence of the information furnished appears to have created widespread growing interest among those who desire to study municipal finances, and I trust that the data presented has made possible improved practices and methods in the field covered."

⁴ For example, the Bureau of Municipal Affairs of the Pennsylvania Department of Internal Affairs prepares articles and data of value to municipalities for inclusion in the *Monthly Bulletin* of the Department. Some of these bureaus also provide technical assistance and advice, particularly in the field of finance; in some instances, moreover, they exercise supervisory powers.

annual or occasional special report. An example is afforded by the program of the State Tax Commission of Michigan. This program includes (1) the periodic issuance of reports and bulletins designed to inform local assessing officers of changes in tax laws and opinions of the attorney general bearing on property taxes; (2) maintenance of a field staff experienced in the appraisal of various types of properties and in the development of correct legal descriptions, classification of property, and uniform valuation within and between classes of property; and (3) providing technical advice and instruction for the local assessor and his staff in the installation of modern assessment systems.⁵

As a matter of fact, it is not at all uncommon for state agencies to provide a variety of technical assistance and advice for municipalities which seek it. In the field of public health, for instance, the health department may provide some or all of such continuous services as compilation and interpretation of vital statistics, preparation of biological products for free distribution, laboratory diagnostic services in communicable disease control, and such intermittent services as expert sanitary engineering advice, expert advice in relation to local enforcement of the sanitary code, assistance in times of disaster or in times of special need, and laboratory analysis of public water supplies.⁶ Other state departments, including the departments of public safety, education, public welfare, and finance, are often willing and able to work with local authorities in the settlement of some vexing problem or the improvement of administrative procedures. Many of these services are arranged informally by the local and state officials concerned, and do not require that the municipality pay for the cost of the service. Others are provided on a contractual basis.

A very good example of a technical service provided by a state agency for municipalities on a contractual basis is the

⁵ See the *News Bulletin* of Public Administration Clearing House, Release No. 1 (March 12, 1945).

⁶ See Wilson G. Smillie, *Public Health Administration in the United States* (Second edition, New York, 1943), Chapter XXXI.

program of the State Personnel Board of California. In order to assist communities in setting up and maintaining inexpensive merit systems without surrendering local autonomy, the State Personnel Board has worked out a co-operative service offering technical and personnel assistance at cost. The services performed include the suggestion of provisions for new merit system ordinances, installation of classification and pay plans, preparation and sometimes the administration of examinations, installation of reports of employee performance, and the installation of personnel record-keeping systems.⁷

Most of the states are to a greater or lesser degree centrally administering and sharing a number of taxes with municipalities. In certain instances the state simply acts as a collecting agent, returning the actual amount collected, less a percentage for administrative costs, to the municipality. In other instances the program is much more involved and may contain certain elements of state control.⁸

The foregoing discussion no more than touches upon selected aspects of the service relations between state administrative agencies and municipalities. These services were once largely limited to reports and odd bits of information, but in recent years they have become more diverse and oftentimes technical in nature. Many cities, the smaller ones in particular, are unable economically to undertake the performance of certain technical phases associated with present-day municipal activities. In numerous instances the state has provided the means whereby the city has access to the expert knowledge of state personnel as well as to state laboratories and equipment.

Co-operation and Joint Activity. With the development of state services to municipalities has come an increasing amount of co-operation between city and state officials. In other words, service contacts have not been all one way, from the state to

⁷ *News Bulletin* of Public Administration Clearing House, Release No. 2 (January 12, 1943).

⁸ For data on the various shared-tax programs of the states see Leo Day Woodworth, *Shared Taxes* (The American Municipal Association, Chicago, 1944).

the city. Municipal officials often extend their advice, specialized information, and equipment to aid state officers and programs. The interchange of information and advice between city and state officials in such fields as health, police, and finance is constantly occurring; and in some instances repeated conferences result in the development of programs and procedures of advantage to both governmental levels. Adequate state reporting of financial data of local governments, for instance, is dependent upon the joint efforts of local and state officials, and the better state reports represent just such collaboration.

In certain fields there has been a considerable development of formal administrative arrangements between city and state. More than a dozen states, including New Hampshire, Alabama, Wisconsin, and Pennsylvania, have set up co-operative purchasing systems through which cities may obtain more favorable prices for government supplies. In 1942 a plan was worked out in New York whereby cities, counties, and school districts could buy equipment and supplies through the State Division of Standards and Purchases. The program, which is directed by the New York State Conference of Mayors, made provision for the issuance of periodic bulletins to inform officials on what equipment could be purchased under contract, from whom and at what price, and to indicate what equipment and supplies the state would seek bids on in the near future in order that any municipality could add its order for similar items.⁹

Within recent years a number of states have set up statewide retirement systems under which municipal employees might be covered. About twenty-two states, including California, Colorado, Connecticut, Illinois, Indiana, Iowa, Maine, Maryland, Massachusetts, Montana, Michigan, Minnesota, Nebraska, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Virginia, and Wisconsin, have organized these centrally administered

⁹ *News Bulletin of Public Administration Clearing House*, Release No. 6 (August 22, 1942).

retirement systems. In most cases participation in the plan is optional with the municipality. Although the arrangements vary from state to state, the Wisconsin plan is illustrative of the general scheme. The retirement fund is managed as a department of the state government, and administered by a board of trustees consisting of the State Commissioner of Insurance and four members appointed by the Governor from the officers and employees of the participating municipalities. Investments are made by the State Annuity and Investment Board; the Attorney General is the legal advisor of the fund, and the State Treasurer is ex officio treasurer of the fund. Administrative expense is assessed against the participating municipalities, and inclusion in the plan is optional with the municipality.¹⁰

It is not unreasonable to expect important developments in city-state co-operation in the administration of certain common activities in the years ahead. The state is interested in the protection of persons and property, and so is the city. Both are concerned with the improvement and protection of the public health, the extension of recreational facilities, and the development of other activities which promote the general welfare of the citizen. Both governments are also concerned with problems of finance, personnel, and purchasing. A strong case can be made for a considerable amount of joint co-operation with respect to these activities and problems.¹¹

State Administrative Supervision. For many years state legislatures have been creating, bit by bit, a system of state administrative control over municipalities. Perhaps the results should not be referred to as a system, for as a general

¹⁰ See Wisconsin Municipal Retirement Fund, *Handbook of Information* (Madison, Wisconsin, 1944). Other notable examples of co-operative activity on the part of cities, counties, and states are to be found on the Pacific Coast, particularly in California for shoreline development and in Washington for pollution control. See *National Municipal Review*, Vol. XXV, No. 6 (June, 1946), p. 305.

¹¹ The increasing awareness of the desirability of intergovernmental co-operation in the administration of related programs is shown by the organization in June, 1945, of the Pacific Coast Board of Intergovernmental Relations. See Miriam Parker, "Coast States Try Co-operation," *National Municipal Review*, Vol. XXXIV, No. 10 (November, 1945), p. 484.

rule there is no regular order to the administrative control arrangements. For this the legislature is not wholly to blame. As yet, we are confused and uncertain over the proper extent and methods of state administrative control, although there is growing recognition of the necessity under modern conditions for a measure of such supervision. The student must not expect, therefore, to find here a concise description of the system or systems of administrative supervision established in the states; he will have called to his attention instead an indication of trends together with several illustrative examples.

The broad fields of municipal activity which are most commonly brought within the scope of state administrative supervision are those of finance, welfare, health, utilities, and education. This is not to imply that there is no other state control; rather it is primarily in these fields that the state has seen fit to emphasize its supervisory position. It is of interest that Professor Wallace, in his study of comparative European systems of administrative supervision, found that the services of finance, police, health, destitution, and education were everywhere the subject of administrative supervision; and he suggested that this fact indicated the probable trend of development in the United States.¹²

The administrative arrangements for state supervision reflect the piecemeal and gradual development of administrative control. The various control activities are generally scattered throughout the state administration, and the state agency's internal administrative arrangements for handling its municipal responsibilities are sometimes slipshod and inadequate. In the fields of health, welfare, and education, state control is commonly associated with the three appropriate state departments, and, in general, attention is given to the administrative arrangements and procedures relating to local affairs in these fields. Financial control, however, is often dispersed among several state agencies, particularly where the state has not integrated state financial activities; and the

¹² Wallace, *op. cit.*, pp. 35-38.

local program is sometimes submerged in the other activities of these agencies.¹³

The devices most generally used by state administrative agencies for supervision of cities include appointment, removal, substitute administration, inspection, review, approval, orders, ordinances, and grants-in-aid and other subsidies. Since the formation of the union, state authorities have exercised a varying power of appointment and removal of city officials. At the present time, however, state officials rarely have the power to appoint city officials. Less rare, though not frequently exercised, is the power to remove certain municipal officers for malfeasance in office. Some states exercise control over the appointment and removal of assessing officers. In a number of states the state board of health has power to remove local health officers or registrars of vital statistics who fail to perform their duties satisfactorily. In some instances the governor or some other state authority is given the power to appoint the local chief of police or police board. In other cases state control is limited to the removal of these officials. In a few cases removal of mayors by the governor is possible.¹⁴

The temporary substitution of state administration for that of a particular local activity is permitted in certain instances by the states. The North Carolina Commission of Local Government has the authority to take over the administration of the financial affairs of any local government unit that defaults on the principal or interest payments due on any indebtedness. But in no instance has the commission appointed an administrator of finance for a local unit.¹⁵ The Local Government Board of New Jersey assumes temporary fiscal control when certain unsound conditions are present in a municipality. During the two years following the in-

¹³ For a discussion of administrative arrangements see Wylie Kilpatrick, *State Supervision of Local Finance* (Public Administration Service, Chicago, 1941).

¹⁴ See Charles M. Kneier, *City Government in the United States* (New York and London, 1934), Chapter VII.

¹⁵ James W. Fesler, "North Carolina's Local Government Commission," *National Municipal Review*, Vol. XXX, No. 6 (June, 1941), p. 327.

stitution of this plan in 1938, the board assumed temporary control of 59 municipalities. The State of Maine took over temporarily the administration of 12 small towns between 1937 and 1940 because of defaults, tax arrearages, and failure to meet pay rolls.¹⁶ In some states where the local health department is not functioning properly, it is possible for the state health department to intervene and carry on the health affairs of the city.

Several of the methods of control most commonly employed are present in the supervision of municipal utilities. A study made only a few years ago pointed out that in 24 states a state commission had some authority over municipally owned electric utilities. The authority of these 24 state commissions included the power to regulate rates within the city (11 states), to regulate rates outside the city (19 states), to prescribe service standards and performance (13 states), to prescribe uniform systems of accounts (19 states), to prescribe depreciation rates used in accounts (13 states), to require annual reports (18 states), to control scope of operation by certificate of necessity and convenience inside corporate limits (7 states), and to control scope of operation by certificate of necessity and convenience outside corporate limits (17 states).¹⁷

The most common controls exercised by state departments of public welfare are the promulgation of rules and regulations, supervision of the selection of local personnel, provision of a field staff for consultation with and supervision of local officers, review of local decisions — which may be no more than routine or may seek to harmonize real issues of policy and administration — control over budgets, review of individual grants, and periodic audits or test-checking of accounts.¹⁸

¹⁶ See Kilpatrick, *op. cit.*, pp. 29, 42.

¹⁷ Robert H. Gregory, *Municipal Electric Utilities in Texas*, Municipal Studies No. 20 (Bureau of Municipal Research, The University of Texas, Austin, 1942), pp. 103-115.

¹⁸ For a brief discussion of these controls see Marietta Stevenson, *Public Welfare Administration* (New York, 1938), pp. 240-251. It should be pointed out that the majority of these relationships are state-county; however, certain of the large cities have public welfare organizations comparable in function to the county agencies.

In the field of public health, the state health departments in general provide only advisory services for municipalities.¹⁹ However, state health departments may have direct responsibility for the approval of municipal water supply and sewage disposal arrangements. In a few states, the health department is responsible for the enforcement of the state food and drug laws. When the state uses Federal or state funds to subsidize special services within municipalities, certain minimum standards must be met locally. Under these conditions, as we have previously stated, the state health department may remove local health officers or even temporarily take over the administration of local health activities. These drastic actions ordinarily occur only when emergency conditions, such as an epidemic, exist in a municipality.

The states exercise a variety of controls over municipal finance. It is difficult to generalize or to report briefly concerning the nature of these controls because of the many variations prevailing among the states. Wylie Kilpatrick, in his study of state financial supervision,²⁰ discusses accounting systems and standards, state auditing of local accounts, financial reporting, state control of local budgets and expenditures, supervision of debt incurrence and retirement, and receiverships and credit facilities. He points out that twenty states supervise accounting for municipalities, twenty-nine states make auditing services available to municipalities or supervise the examination of municipal accounts by private auditors, forty states require financial reports of municipalities, and twenty-eight states require municipalities to prepare budgets. In the field of debt administration, state supervision may be wide or narrow. The state may (1) facilitate the proper use of public credit by regulating debt procedures and forms; (2) control completely or partially the purposes and amounts of local borrowing; (3) extend credit facilities to communities, and regulate capital improvements and credit so as to reduce the volume of local

¹⁹ Smillie, *op. cit.*, p. 401; also see Harry S. Mustard, *Government in Public Health* (New York, 1945).

²⁰ Wylie Kilpatrick, *op. cit.*

borrowing; and (4) assume temporary receivership control to prevent or remedy a bad financial condition.²¹

One of the interesting developments in the field of state financial supervision is the organization of new supervisory agencies and the reorganization of existing ones. The North Carolina Local Government Commission, established in 1931, was the first separate agency set up by a state to supervise local finance. New Jersey, in 1938, created a separate Department of Local Government and an accompanying Local Government Board. Other states have set up a division of local finance in newly created departments of finance or have reorganized existing agencies.

The Local Government Commission of North Carolina is a division of the Department of the State Treasurer. The membership of the Commission is composed of four ex officio officers, the State Auditor, State Treasurer, Secretary of State, and the Commissioner of Revenue; and the five other members are appointed by the Governor, holding office at his pleasure. The four ex officio members constitute the Executive Committee of the Commission, and as such are vested with all of the powers of the Commission except when the latter is in session. The State Treasurer is Chairman and Treasurer of the Commission and Director of Local Government. The powers lodged in the Commission include: (1) the approval of bonds and tax-anticipatory notes, (2) the marketing of bonds and notes, (3) the negotiation of refinancing plans, (4) the authority to prescribe uniform accounting systems for local governments, and (5) the authority to take over the administration of the financial affairs of any local government unit that defaults on the principal or interest payments due on any indebtedness. Professor Fesler has stated that "Broadly speaking, the commission has given satisfaction."²²

New Jersey, in 1938, consolidated in a State Department of Local Government financial control activities previously per-

²¹ See the appropriate division headings in Kilpatrick, *op. cit.*, for a discussion of these devices.

²² James W. Fesler, *op. cit.*, p. 327.

formed by various state agencies, and in certain instances extended these functions. The extensions include the prescription of the form, classification, and details of local budgeting; passing upon emergency appropriations; supervision of capital budgeting; holding of hearings; prescription of uniform accounting systems; investigation and promulgation of rules governing the method, scope, and procedure of auditing; and supervision of municipalities coming within the jurisdiction of the local government board because of the existence of unsound financial conditions.²³

Reorganizations effected in other states have not resulted in the creation of distinct departments of local government along the lines of the New Jersey plan. However, the result has usually been a more reasonable organization for the task of state supervision and the concentration of activities in fewer agencies. If the states are going to supervise, and they give no indication of doing otherwise, the municipalities are due reasonable administrative arrangements at the state level.

Increased state administrative supervision has accompanied the growth of state financial aids to local government units and the funneling of Federal-aid grants to local units through the state. These aids have increased tremendously in recent years. Between 1925 and 1941, state aid to local governments quadrupled and Federal aid to the states increased more than six times. In 1941 state aid accounted for 24.3 per cent of local revenues for the entire United States, amounting to \$1,697.8 million; Federal aid to the states for the same year was \$744.2 million.²⁴

From the standpoint of state control, there has been a tendency to distinguish between the two major forms of state financial aid to localities. State-collected, locally shared taxes, as distinct from grants-in-aid, have been supported as an

²³ See Samuel D. Hoffman, "A State Department of Local Government," *National Municipal Review*, Vol. XXVIII, No. 5 (May, 1939), p. 348.

²⁴ Carl H. Chatters, *Grants in Aid and Shared Taxes* (Municipal Finance Officers Association, Chicago, 1945); also Frank C. Moore, "Stabilization of Local Finances in the State of New York," *Municipal Finance*, Vol. XIX, No. 1 (August, 1946), pp. 4-8.

excellent means of supplementing local revenues without the imposition of central administrative control. In practice, however, the states are tending to attach conditions of various sorts to the shared tax, and the distinction between the two types from the standpoint of administrative control is becoming less significant.²⁵

It is common practice for state and Federal governments to condition the payment of a grant upon local acceptance of certain administrative or legislative policies. Personnel standards, programs, budgeting, and other financial procedures have been included in the controls exercised by state agencies. However, noticeable improvement in local administrative standards has not always been brought about. Where the level of state administrative standards is low, it is highly unlikely that state efforts will raise local administrative effectiveness above that prevailing in the particular supervisory state agency. The greatest advance has taken place in the administration of those activities in which the Federal Government has provided financial aid to the states for both state and local programs. In so far as cities are concerned, the greatest progress has been made in the fields of health, welfare, and vocational education.

A great many problems are raised by the programs of financial aid to local units. Moreover, the Federal Government is often involved in these aid relationships. In some instances, therefore, it is a Federal-state-city pattern, and in others state-city or Federal-city. New aids to cities, in such fields as public works planning and construction, public health, and highway and airport development, are being considered by Congress and by state legislatures; in some instances programs have already been enacted into law. With them will likely come more central control. State administrative supervision of local government is steadily developing in one way or another, and its ramifications reach far beyond its humble beginnings in this country.

²⁵ See the brief discussion in George C. S. Benson, *The New Centralization* (New York, 1941), p. 123.

City-County Relations. Traditionally the county and the city have had separate but complementary roles in the administration of local governmental activities. The county has functioned as the principal territorial division of the state for the performance of functions of statewide concern at the local level. The city, existing as an incorporated unit within a county or counties, has provided the local services required in an urban or partly urban area. The activities of these two units of local government²⁶ have oftentimes been similar, and with the increasing urbanization of the country they have come to serve in certain instances about the same group of people. In a few cases the governments of the city and county have been consolidated into a single government. Much more common than complete city-county governmental consolidation, however, is the joint performance of a particular function. A variety of contractual relationships have been established between the two units; and voluntary co-operation in the use of equipment, the exchange of information and advice is now more common than ever before.²⁷

The pattern of city-county administrative relationships is not uniform; more relationships have been established in some fields than in others; but there exists a large number of miscellaneous arrangements. Voluntary co-operation between cities and counties is common in the fields of police and fire administration. Several states permit city-county contracts for the use of fire equipment of one or the other jurisdiction, and there are numerous instances of jointly owned fire equipment. City-county co-operation in the use of police radio systems is quite prevalent.

In the field of public health there is a considerable amount of local co-operation. A number of states permit joint city-

²⁶ With the exception of Rhode Island, the county exists as a unit of government in every state. However, its functional and financial importance is not everywhere the same. In the New England states, the town rather than the county serves generally as the local agent of the state for general state purposes. See William Anderson, *The Units of Government in the United States* (Public Administration Service, Chicago, 1942), pp. 15-16.

²⁷ For a discussion of the metropolitan area problems, see *City Growing Pains* (National Municipal League, New York, 1941).

county hospitals. In Texas, for example, there were twelve city-county hospitals in operation in 1944. Within recent years there has been a notable development in joint city-county health units. In 1944, 271 cities of over 10,000 population were served by 210 city-county health units and 19 district health units (a unit comprising more than one county).²⁸

A particularly noteworthy development in the field of city-county relationships is the recent plan for a joint office building and civic center in Detroit. The proposed building will be jointly financed by the city and the county. At their last session, the Kentucky Legislature made it possible for Louisville and Jefferson County officials to construct a building to house all or most offices of both local governments. Under the provisions of another new state law, plans are being made for the extension of Louisville sewer facilities into county areas. The plan contemplates the creation of a metropolitan sewer district. Still another new Kentucky law permits border counties to join with a county or municipality of another state in establishing and operating airports. Similar legislation, though applying only to municipalities and on a strictly reciprocal-statute basis, was enacted last year in both Minnesota and Wisconsin.²⁹

Other fields in which city-county relationships are relatively numerous are those of finance, public welfare, recreation, public works, and libraries.³⁰ Within recent years there has been an increasing amount of city-county co-operation in local planning activities. An excellent illustration of the possibilities of voluntary co-operation of local units in such fields as taxation, health, public welfare, and sanitation is afforded by the arrangements which have been worked out in the Los Angeles metropolitan area.³¹ As a matter of fact, the possibilities of

²⁸ See *The Municipal Year Book*, 1945 (The International City Managers' Association, Chicago, 1945), pp. 308-323.

²⁹ See *State League Notes*, Vol. VIII, No. 5 (April 24, 1946), pp. 6-7.

³⁰ For brief mention of some of these arrangements as they existed a number of years ago, see Norman N. Gill, "Intergovernmental Arrangements," *The Municipal Year Book*, 1936, pp. 140-147.

³¹ See, for instance, the discussion by Frank M. Stewart in *Public Management*,

voluntary co-operation in our metropolitan areas are numerous. The need for such co-operation is present, too. Students of local administration have long urged the adoption of measures of co-operation, consolidation, and simplification within our metropolitan areas.

THE CITY AND THE STATE JUDICIARY

The currents of city-state relationships flow through the legislative, administrative, and judicial branches of the state government. Although initial state action with respect to the creation and powers of municipalities is ordinarily the province of the legislature, the judiciary has a great deal to say about the precise nature of these city-state relationships. This follows from the subordinate legal position of the city to the state and from the function of the courts to specify and enforce, in proper cases, the legal boundaries laid out by the state for the city.

A few examples will clarify the nature of the court's role in city-state relationships. Let us suppose that the state constitution requires the legislature to provide for the creation and operation of cities by general laws. The legislature proceeds to group the cities into a number of population classes and to pass laws applying to each of these groups. The court must decide if classification on the basis of population is permissible under the general law requirement of the constitution and if the particular classification is valid. The city legislative relationship is affected by the court's answer. Perhaps a city seeks to issue bonds for the purchase of a privately owned electric utility. A taxpayer comes into court with the protest that the city does not have the authority to buy the utility; hence, the issuance of bonds should be enjoined by the court. If the court holds that the taxpayer is correct, and in case the city still wishes to buy the utility, the legislature must extend permission to purchase, or the constitution of the state must be amended to grant appropriate authority. In any case, it is

difficult to conceive of the court's action as not affecting city-state relationships.

We have previously noticed that the constitutional grant of the right of home rule to cities has been the source of much judicial controversy. It will be recalled that the home-rule provisions commonly require the city charter and ordinances to conform to the constitution and general laws of the state. Let us take this example. The state legislature creates a state public service commission and authorizes it to regulate the rates of all utilities within the state. Are the municipally owned utilities of a home-rule city subject to the authority of the state agency? Or perhaps the question might be presented to the courts concerning the right of the home-rule city to continue to set rates for utilities operating in the community. Would such a statute be a valid general law, or would it violate the principle of home rule? The courts have been faced time and time again with questions involving the spheres of state and local authority under the principle of municipal home rule. Almost every kind of municipal activity has been before the courts for determination as to whether it was a matter of municipal concern and not subject to the general authority of the state legislature. Unfortunately, the decision of the court is often a matter of conjecture, for the settlement of a case in one state does not necessarily carry any weight in the decision of a similar case in another state.

Our cities, therefore, are often in the courts. Laxity on the part of the legislature in writing legislation for municipalities may breed an unnecessarily large number of court actions, but the basic factor is that legally the city is "a mere tenant-at-will" of the state. It is well to recall Dillon's famous rule:

It is a general and undisputed proposition of law that *a municipal corporation possesses and can exercise the following powers, and no others*; First, those granted in *express words*; second, those *necessarily or fairly implied* in or *incident* to the powers expressly granted; third, those *essential* to the accomplishment of the declared objects and purposes of the corporation — not simply convenient, but indispensable. Any fair, reasonable, substantial doubt concerning

the existence of powers is resolved by the courts against the corporation, and the power is denied.³²

It is a fundamental principle of law, therefore, that a municipal corporation possesses limited powers. At any turn, the city may find itself involved in *another* court action.³³

It is no doubt impossible to evaluate accurately the influence of the state courts in the ever-changing pattern of state-city relationships. Without question, judicial influence has been significant, and it will continue to be so. In the section which follows, additional attention is given to the problem of municipal liability in contract and tort. This discussion, brief though it is, should further clarify the importance of the courts in the government of our cities.

MUNICIPAL LIABILITY

It is believed that a consideration of municipal liability should be included in any general discussion of municipal government. The subject logically calls for a discussion of liability on contracts and liability in tort. The first of these we shall dispose of in only a few words, leaving what space we have for a brief treatment of municipal liability in tort.

By and large, it may be said that a city's liability for contract is substantially the same as that of an individual or a private corporation;³⁴ that is to say, a suit which can be successfully prosecuted against an individual can also be prosecuted against the municipal corporation. In an action for breach of contract, the municipality can press only the same pleas and defenses that an individual may. It has no immunities because of the fact that it is a public corporation. Municipal contracts possess the same essential elements, are executed, enforced, rescinded, and reformed under the same general rules as those which govern contracts between individuals.³⁵

³² J. F. Dillon, *Commentaries on the Law of Municipal Corporations*, Fifth edition, Vol. I, Sec. 33.

³³ For a summary of current legal developments, the student is referred to the annual volume of *Municipalities and the Law in Action*, published by the National Institute of Municipal Law Officers, Washington, D.C.

³⁴ Roger W. Cooley, *Municipal Corporations* (St. Paul, 1914), p. 233.

³⁵ *Idem*.

Liability in Tort. The subject of a city's liability in tort ³⁶ is so broad that we shall be able to touch only a few of the high spots here. It would require a volume to cover the subject fully, for it embraces municipal responsibility for virtually all private or civil wrongs and injuries independent of contract. It thus includes liability for the consequences of negligent acts and for such wrongs as assault and battery, trespass, nuisance, malicious prosecution, libel and slander, and the like. It does not, of course, include responsibility for crimes.

For the purpose of discussing the city's liability in tort, its activities may best be classified as governmental or public, and corporate, proprietary, or private. When acting in a governmental capacity, the city is not liable in tort, the reason given by the courts being that the city is acting as an agent of the state and the state cannot be sued without its consent. Since in this capacity the city discharges duties for the benefit of all, it shares the immunity of the state for which it is acting. These duties are imposed upon the municipal corporation by the state for the public good; the corporation receives no benefit from them. Closely allied with this doctrine is the idea that the officers and employees of a municipality, when performing a governmental function, are agents of the state and not of the municipality; therefore, the doctrine of *respondeat superior* ³⁷ is not applicable.

When the city is acting in a corporate, proprietary, or private capacity, immunity from suit does not apply. As a general rule, it may be stated that municipal corporations are not liable for negligence in the discharge of governmental functions, but are liable for such negligence if incidental to the performance of proprietary functions. In this instance, as

³⁶ The word *tort* is used to describe that branch of law which treats of the redress of injuries which are neither crimes nor arise from the breach of contracts. See Bouvier's *Law Dictionary*, Vol. III, p. 3285.

Full discussions on municipal liability appear in the works of Cooley, Dillon, and McQuillin; and within the last ten years, articles treating of municipal liability in tort have appeared in most of our leading law journals.

³⁷ This maxim means that a master is liable in certain cases for the wrongful acts of his servant, and a principal is liable for those of his agent.

in the case of most general rules, there are many exceptions. Some of these we shall mention later.

Obviously, no formula for determining liability is self-executing, nor is it always possible to determine if the function is governmental or proprietary. Various tests have been devised, but none is very satisfactory and none fits all the cases. Sometimes a distinction is made between those duties imposed upon the municipality by the state and those voluntarily assumed, the former being considered as governmental and the latter proprietary; but this test is not consistently applied. In case the municipal corporation is engaged in business ventures, the courts tend to consider the profit aspect of the activity. If it produces a net profit, some courts use this as conclusive evidence of the proprietary character of the enterprise. However, this is not an entirely satisfactory criterion either. Other courts apply the historical test: Is the activity one which governments usually have performed? If it is, it should be classed as governmental; if it is not, it is proprietary. This distinction cannot be carried too far, since many functions characterized as governmental are of very recent origin. Still other courts have held that if the exercise of power is discretionary, then there is no liability.

What activities have the courts actually considered to be governmental? Almost uniformly have they considered the city in operating its police department as performing a governmental function. Consequently, the city is not liable for the wrongful acts of its police officers in making arrests, detaining prisoners, or for an assault by an officer. The same immunity is usually attached to the keeping of the jail as to the preservation of the public peace. The service required of the fire department in most cases is considered to be for the general welfare, and the city, therefore, is not liable for the acts or misconduct of the department. Library service and education are other functions which have been generally classed as governmental.

What are some of the proprietary functions? Practically all courts have considered municipally operated utilities

proprietary. This is true of electric and gas plants, water works, telephone systems, central heating systems, and similar utilities. The function of owning and operating airports has not been classified in many states. However, it has been generally held that a city operates an airport in its proprietary capacity and, in the absence of an exempting statute, is liable for damages resulting from negligence in such operation.

In addition to the activities we have already mentioned, there are others which are of doubtful character and which do not readily lend themselves to classification. For example, the courts have widely split over their attitude toward the maintenance of municipal hospitals. Street lighting has been held by some courts to be governmental and by others to be proprietary. The construction and maintenance of a sewer system is another activity which is difficult to classify; courts are divided in their attitude about it. Courts have also experienced considerable difficulty in classifying parks and recreational activities for purposes of determining liability in tort. While the decisions have been sharply divided, a majority of the courts favor immunity. This is not only true of parks proper, but of such recreational facilities as bathing beaches, swimming pools, hockey rinks, and the like. However, if the charge for the operation of such activities is large enough, it is quite possible that immunity is lost. In performing its duties for the care and preservation of public health, a city acts in its governmental capacity. On the other hand, if a service charge is imposed to cover the cost of refuse removal, a different question might be presented.

The maintenance of streets is in an anomalous position for purposes of tort liability. In some states immunity is extended on the theory that the maintenance of streets is a governmental function. In most states, however, courts have refused to extend immunity even though conceding that the maintenance of streets is governmental. It seems to be a rather established rule that the municipal corporation is under obligation to exercise reasonable care in keeping its streets in safe condition for public use, and that it is liable for damages

resulting from neglect. This obligation extends not only to streets proper, but to alleys, bridges, sidewalks, and crosswalks within municipal limits.

From what we have said, the evidence seems abundant that it is impossible by way of definition to state any rule sufficiently exact to be greatly relied upon in determining whether a function is governmental or corporate. There is much confusion on this point. And even though the injury is occasioned in the performance of a governmental function, the nuisance doctrine in recent years has become a device by which recovery may be permitted by a liberal court if it so desires.

Up to the present, our discussion of municipal tort liability has been restricted to judicial interpretations. To some extent court rulings have been both limited and abrogated by state statutes. For example, in several states where immunity has been the court rule, statute has imposed liability for city street defects. A number of states have placed upon municipalities the same responsibility for negligence in the operation of motor vehicles as is imposed upon private automobile owners. Wisconsin and probably other states have made municipalities responsible for the safe condition of their buildings. A number of states have passed statutes forbidding the bringing of an action against a city until a notice of the claim, along with an abstract of the facts, has been filed with the proper authorities. Such notices are generally required to be filed within a stated number of days (say thirty) after the damage or injury. It is customary for such notices to state the time, place, cause, and extent of damages or injury, and the amount of damages claimed. Most such statutes make provision for postponement of these requirements in case of incompetency of the injured person. The council is given additional time to act on the claim, and action must be then brought within approximately six months after the accident. The serving of this notice is a condition precedent to bringing the action. In other words, if it is not filed within the required period, unless excused by the incompetency of the injured person, no action may be maintained.

There had been a good deal of criticism in recent years of the existing doctrine of municipal tort liability. Many objections have been raised to the governmental proprietary rule. To many it appears indefensible. It is difficult for John Smith who is hit by a police car to understand why he is unable to recover from the city, when William Jones who is struck by a street maintenance truck is able to do so. If Smith has a suit of clothes ruined through the negligent operation of a municipal street sprinkler, he must be more puzzled when he is informed that while recovery is impossible for him, his friend who has had a similar accident because of a street flusher operator has a good opportunity to do so. Certainly he will not understand why he is unable to recover for an accident sustained by a fall on the defective steps of the city hall which operates no utilities, while his friend will probably be successful in obtaining relief for a similar accident occurring when he went to pay his light bill in the city hall of his city.

Because these inequities do exist in many cases, there are those who hold that the city should be subjected to liability in the one case as much as in the other. However, state legislatures have hesitated to pass statutes making this possible. The greatest objection to extending the scope of municipal liability in tort is the fear that juries will return verdicts which are unreasonable. There is a feeling that the government can pay; little thought is given to the fact that the taxpayer's dollars must pay the bill. One serious accident might cost a small town more than its total annual budget. To relieve this condition, E. M. Borchard has suggested that the small municipality might be obliged to contribute a portion of its tax revenues (two per cent, he suggests) to a state fund, the state assuming any excess of liability over the amount contributed. The state contribution could be justified on the ground that in many cases a city performs state functions. A community not exhausting its contribution in any one year might be given credit for the unexpended portion in the next year, and returns might be made of excess amounts paid in at regular periods.

Others have suggested that a statute be adopted permitting cities to carry public liability insurance for all torts, whether committed in a governmental or proprietary capacity, and to compromise such claims. The insurance company would be required to waive the defense of governmental immunity. It may not be feasible at the present time to provide liability insurance against all torts, but this need not prevent the enactment of a permissive statute that could be available to whatever extent insurance proved practicable. Here again, a state insurance fund might be considered. This optional legislation would have the advantage of imposing no burden on those municipalities which might feel unable or unwilling to assume it. On the other hand, it would give the municipality an opportunity to avoid some of the hardships which frequently result from the present rule.

Another suggestion is the creation of administrative courts, as has been done in some European countries. In France, for example, cities are responsible in all cases where damages result from the negligence of their officials and employees. It is required that action must be brought in a special administrative court. Such a plan might be worked out for our cities. As a matter of fact, Congress many years ago realized that there were a great number of cases in which individuals had just claims against the Federal Government. Although no one has a legal right to sue the United States Government without its consent in any court of law, it was recognized that some method of correcting these injustices should be provided. As a means of providing relief in certain instances, a Court of Claims was created by Congress as early as 1855. Not all claims may be brought before it — only those which are contractual in their origin and nature.

The City and the Nation



FREQUENTLY has it been said that there is nothing in the National Constitution which specifically mentions cities. This is true. However, the Constitution does apportion powers to the Federal Government which permit it to aid states and local governments in the performance of certain functions. But the state and all its instrumentalities must keep within the limits of the Federal Constitution. The city's charter and ordinances, therefore, must not conflict with the supreme law of the land.

At times the city is defined as a political subdivision of the state, created by it and subject to its control. This being the case, it is natural for the city to turn to its state government for assistance in solving many knotty problems. However, during the depression years of the thirties and during World War II the direct contacts between the Federal Government and cities were multiplied by leaps and bounds. The National Resources Committee, in a report published in 1939, listed only fourteen services performed by the Federal Government for urban communities during the period up to 1875. For the period ending in 1900 these services increased to thirty in number. Between 1900 and 1937 ninety additional services were added, twenty-two of these being established between 1931 and 1937.¹ Nor are the old services abandoned with the addition of new ones. Such is seldom the case at any level of government.

¹ National Resources Committee, *Urban Government*, Vol. I (1939), pp. 63-64.

Despite our sudden shift to a wartime economy and the assumption of emergency powers by the Federal Government, there was little direct interference with, or usurpation of, the normal powers of local governments. By and large, it seems that there was a wholehearted desire to work with and through state and local government in a voluntary fashion. The post-war period is still too young for us to predict what the trend will be.

First, let us give brief attention to the various types of Federal-urban contacts. It should be remembered, however, that in a number of cases the contact may partake of characteristics of more than one type. For example, regardless of the relationship, financial consideration is always an important factor. Our cities, like every other unit of government, are casting about for additional sources of revenue — they are not alone in looking to Washington. In addition, it is to be noted that our classification of relationships is one of many; there might be numerous others. Again, in our discussion of Federal-city relations we shall be restricted to mentioning only a few illustrations under each heading. A complete listing of these various contacts is not given, nor is a discussion of any of them attempted. Our major concern is to give the reader an over-all view of the existing pattern of Federal-city relationships, not to present a detailed treatment of any particular program.

Business Contacts. The city and the Federal Government are continually entering into various types of business contacts. For instance, contracts dealing with the sale of land, materials, or equipment are rather common. Only recently, Section 13 of the Surplus Property Act of 1944 extended preferred treatment to the states and municipalities with reference to surplus war materials. The Tennessee Valley Authority sells power and other services to many cities within its reach; Hoover Dam sells water and power to a number of municipalities in our Western states; the Lower Colorado River Authority sells power to a number of Texas cities; and the United States Forest Service provides a source of

water supply for many cities throughout the country. Again, there are various Federal agencies which perform services for local communities in return for a fee; the Office of Education, for example, may survey a city's school system upon request.

Direct Contacts. Some municipal functions fall under the control of Federal agencies as incidental to powers conferred upon the Federal Government but parallel to certain local government functions. The Constitution gives Congress control over the waterways and the high seas. As a result, a number of agencies have been created, many of which affect our cities. Some of these are: the United States Coast Guard, the Coast and Geodetic Survey, the Bureau of Lighthouses, the Bureau of Marine Inspection and Navigation, and the Corps of Engineers of the United States Army. Also, there are many Federal agencies which collect information concerning municipal problems and make it available in many cases both to citizens and city officials. The Bureau of the Census publishes *Financial Statistics of Cities*; the Bureau of Standards provides local departments with manuals of fire loss prevention and with specifications on fire alarm systems. This bureau also makes tests, upon request of any city, for fire-resisting properties of materials. The Bureau of Mines offers consultation on fire apparatus and educational assistance on dust explosion hazards. The Bureau of Chemistry and Soils is equipped to give advice on spontaneous heating and ignition dangers and control, as well as on fire and explosion hazards. The United States Public Health Service, the Bureau of Fisheries, and the Bureau of Dairy Industry all conduct research and provide information on various aspects of municipal government.

During the depression of the 1930's unemployment and relief became such acute problems that the Federal Government set up agencies to handle them. Public works and work relief agencies were developed. Here the states served primarily as authorizing agents. The Work Projects Administration and its predecessors sponsored undertakings for which the Federal,

rather than local units of government, took most of the responsibility. As in the case of Public Works Administration, the local offices of the Reconstruction Finance Corporation and the United States Housing Agency initiate the contracts and assume the primary responsibility.²

Direct contacts have also been established in those fields in which the Federal Government has provided services which benefit local governments and where the states do not perform functions parallel to municipal services. The Civil Aeronautics Administration works with cities in the development of Federal airport plans, and the Federal Bureau of Investigation deals directly with cities in cases of criminal investigation and in conducting a training school for police officers. In the field of recreation, contacts have been made directly with cities by the Federal Government for the purpose of improving health conditions in many of our local communities. In 1942 the Federal Committee for Congested Production Areas was set up for the purpose of easing the shock of war mobilization to community life by alleviating shortages, co-ordinating activities of all levels of government, and expediting the establishment of new facilities.

Financial Assistance. Cities today receive large amounts of Federal funds for a variety of purposes, including public health, vocational education, streets, public works, and planning.³ Prior to the depression, Federal financial assistance to cities was channeled through state agencies. This is still true with regard to aids for public health,⁴ highway improvement, and vocational education. During the depression years such Federal agencies as the Work Projects Administration and the Public Works Administration dealt directly with the cities, by-passing the state governments. Under Title II of the

² Cleveland, Ohio, in 1936, because of the many matters involving municipal and Federal governments, created the office of Commissioner of Federal Relations.

³ For a recent historical survey of intergovernmental fiscal problems and relationships in various functional fields, see James A. Maxwell, *The Fiscal Impact of Federalism in the U. S.*, Harvard Economic Studies No. 79 (Harvard University Press, 1946).

⁴ See the Hospital Survey and Construction Act passed by Congress in 1946.

Lanham Act, Federal aid for the construction, maintenance, and operation of public works in war-congested areas was also channeled directly to the cities. In late 1944 the President pointed out that Congress had made provisions for highway programs, authorizing, for the first time, that funds be spent exclusively in urban areas and stating that he hoped early action would be taken to authorize Federal-aid programs in other fields, such as airports, housing, hospitals, water pollution control facilities, and educational plant facilities.⁵

In May of 1946 Congress approved an airport program carrying the following major provisions: (1) up to \$500 million of Federal funds, over a seven-year period, for airport development and construction; (2) Federal grants of 50 per cent to cities on approved projects; (3) cities to deal directly with the Civil Aeronautics Administration without the intervention of any intermediary state agency, unless the state by law prohibits such direct relationship.

The grants-in-aid system has been given new significance in the development of Federal-municipal relations. Now Congress is using this system in many cases to extend financial aid to the states and, through them, to our urban communities. The various training programs for state and local officials and the extension of Federal aid to cities for highway construction, under the Public Roads Administration, are not to be overlooked.

The development of these and other similar financial contacts between the Federal Government and cities necessarily raises many difficult problems. What is to be the nature and extent of Federal regulations regarding the use of funds? Should the money be handed to the states for distribution to cities? Should the Federal Government deal directly with cities? With each new grant of financial assistance to cities by the National Government, these and like questions must be answered. In the answer is the key to an important section of the Federal-city pattern of tomorrow.

⁵ See Donoh W. Hanks, Jr., "Neglected Cities Turn to U. S.," *National Municipal Review*, Vol. XXXV, No. 4 (April, 1946), pp. 172-176.

Personnel Relations. Since Federal agencies often hold the purse strings, they frequently set up personnel qualifications for state and local officials. Qualifications for local teachers in vocational education are federally specified. The Public Health Service and various war agencies directly allocate funds to the training of local personnel in their respective fields. The Federal Bureau of Investigation selects local law enforcement officials to attend the Bureau's training school. The Civil Service Commission frequently provides technical personnel advice and prepares material and tests for municipalities. Other illustrations could be given.

Planning Activity. Some twenty years ago the National Bureau of Standards, in the Department of Commerce, sponsored the drafting of model city-planning and zoning laws. With the abolition of the National Resources Planning Board in 1943, a number of Federal agencies have either directly or indirectly become interested in planning. Federal Works Agency is now very active in the field.

In the spring of 1945 Congress appropriated \$17,500,000 for postwar public works. The Act provided that the cities would be able to receive advances for the preparation of detailed public works plans and specifications. However, advances must be repaid without interest when funds become available for the construction of the project planned. Federal funds may not be used for construction or for the acquisition of land.⁶

Federal Regulation. Today there are a number of municipal activities which are subjected to Federal regulation. Municipally owned airports, power projects, radio stations, and transportation systems, like privately owned ones, are subject to the Bureau of Air Commerce, the Federal Communications Commission, the Federal Power Commission, and the Interstate Commerce Commission.

Federal Reporting. Many agencies of the Federal Government compile data of interest to, and related to, cities. The Bureau of the Census, in the Department of Commerce,

⁶ *The United States Municipal News*, Vol. 12, No. 8 (May 1, 1945), p. 25.

issues many reports on municipal income, expenditure, and debt. Information from this bureau is used by municipalities in such fields as health, welfare, education, fire, police, housing, planning, utilities, market analyses, and the like. The Bureau of the Census also publishes a quarterly report on state and local personnel. The Federal Bureau of Investigation compiles "Uniform Crime Reports" which are based upon municipal police reports. The United States Office of Education, the Department of Labor, and the Social Security Agency all publish material of great local interest. For example, as a service to local civic, labor, and industrial groups, the Bureau of Labor Statistics of the Department of Labor prepares and issues a series of industrial area reports setting forth the background of local conditions bearing upon proposed Federal policies for the postwar period. Data on housing, employment figures, migration, and wages are all made available to local communities by various Federal agencies.

Research Assistance. It would be impossible here even to list the various Federal agencies now conducting research, the results of which are of untold value to our cities. The United States Public Health Service and the numerous bureaus of the Department of Agriculture are greatly contributing to improve health and welfare in our urban centers. The research done by the Children's and Women's Bureaus of the Department of Labor and the Social Security Agency has led to the improvement of municipal welfare programs, while that of the Civil Service Commission has tended to better local personnel practices. Research by the Public Roads Administration, the Office of Road Inquiry, the Geological Survey, the Board of Army Engineers, the Bureau of Navigation and Marine Inspection, the Bureau of Foreign and Domestic Commerce, and the findings of the Bureau of Standards all have been helpful. Model traffic, building, and plumbing codes, model zoning ordinances, and model milk ordinances, all worked out by Federal agencies, have proved very beneficial to cities.

Technical Assistance. Most of our cities are lacking in facilities for providing all kinds of technical information and advice. The Federal Bureau of Investigation, the Food and Drug Administration, the Civil Service Commission, the Office of Education, the Bureau of Standards, the Bureau of Navigation and Marine Inspection, the Library of Congress, and many others make available to local authorities much technical information.

WARTIME RELATIONS

War controls increased the scope of the National Government to the point that practically every phase of our life was directly or indirectly under Federal domination. During that period there were more employees of the Federal Government than of all state and local governments combined. As a matter of fact, the number of Federal employees in most states exceeded the number of state and local employees.

Since World War II municipal officials seem to feel the need of Federal aid in solving community problems accentuated by the national crisis. Most city officials have not questioned the good will of state officials, but they are of the opinion that there should be some place where they may go, lay the facts on the table, and receive an answer. Some think a Federal agency is the only solution.

Any survey of Federal-city relations during the last decade will show a trend toward an increase in intergovernmental co-operation, accelerated at first by increased Federal spending and later by defense and postwar activities. As the problems of national defense occupied a more and more prominent place in our national consciousness, cities were encouraged to perfect their services by keeping their houses in order, leaving the state and nation free to worry about broader problems. More important than ever before was it for the city to maintain good health conditions and to see that her streets and utilities were in good repair.

As the war assumed greater and greater proportions, co-operation between local and Federal Government reached

into many fields, such as the training of men for defense industries, building and improving airports, training pilots and ground crewmen, creating auxiliary fire and police forces, and developing police mobilization districts. By 1944 over two and one half million persons were being trained in vocational war work.

During the early 1940's the Office of Civilian Defense helped cities in organizing local defense councils and in setting up fire and police protection in preparation for air raids. The primary emphasis was placed on problems of equipment and manpower. To counteract the effects of restrictions on purchasing, the Bureau of Government Requirements in the War Production Board was set up to assist local governments to obtain essential operating and maintenance supplies.

In other instances the Federal Government worked directly with the local communities. A good example was in the field of defense housing where the Federal Government utilized the services of local housing authorities. In areas acutely affected by the defense program the Federal Government constructed the houses; and where a local housing authority was believed to be qualified, their management was vested in that local agency. In all other cases the management was placed directly in the hands of Federal officials. In the non-defense field the Federal Works Agency, working with local jurisdictions, exerted much time and effort in preparing a reservoir of useful public projects which would absorb post-war unemployment and provide necessary public services.⁷

Another way in which the Federal Government attempted to assist the local administration was by the establishment of the Federal Committee for Congested Production Areas. This committee was responsible for co-ordinating the activities of all Federal agencies so far as they affected problems arising out of congestion in designated areas. Its activities in many instances required the support and participation of both state and local government officials. To quote Corrington Gill:

⁷ C. E. Rightor and Hugh D. Ingersoll, "State and Local Government after the War," *National Municipal Review*, Vol. XXXI (June, 1942), p. 306.

... The National Housing Agency, established in 1942, co-ordinated the private and public war housing programs; but housing without schools, stores, food supply, and doctors was not enough. The War Food Administration was responsible for the food supply, but the Office of Price Administration controlled prices; the Federal Works Agency could make loans and grants for war public works, but War Production Board priorities were necessary; the Office of Defense Transportation could allot additional busses to congested areas, but military demands for trucks and busses had first to be satisfied; the Public Health Service had to approve requests for hospitals, but it had to depend on the War Manpower Commission for estimates of employment and in-migration; the War Manpower Commission had to consult with the Army, Navy, and Maritime Commission for data on production schedules.⁸

Believing that the job of providing community facilities and services was substantially accomplished, the Committee for Congested Production Areas ceased operation on December 31, 1944.

Agencies like the United States Public Health Service, the Federal Security Agency, the Federal Works Agency, as well as the War and Navy departments, made efforts to protect the health and welfare of our forces in both the field and the factory. An all-out national effort to control venereal diseases was made in areas where the armed forces or national defense employees were stationed, the Federal agencies working with the local communities to this end. Any local unit of government, having lost its doctors or dentists and suffering from inadequate medical or dental care, was permitted to apply to the United States Public Health Service for help.⁹

Some Federal restrictions affected cities, such as the "Brownout" Order issued under War Production Board coal-saving restrictions. Street lighting in cities was reduced beginning February 1, 1945, but only to an extent compatible with public safety. Support of city law enforcement machinery

⁸ Corrington Gill, "Federal-State-City Co-operation in Congested Production Areas," *Public Administration Review*, Vol. V, No. 1 (Winter, 1945), p. 29.

⁹ *National Municipal Review*, Vol. XXXIII (May, 1944), p. 255.

was requested by the WPB to obtain compliance and to report violation of the order.

Again, the Federal Highway Aid Act of 1944 made it possible for the Public Roads Administration of the Federal Works Agency to apportion \$500,000,000 to the states. It called for co-operative arrangements between the Commissioner of Public Roads, the state highway departments, and the cities and counties. Recognition was made of the fact that the major traffic problems are in and adjacent to urban centers — of the total sum, \$125,000,000 was to be spent for removing traffic bottlenecks and in the construction of express highways connecting our principal cities. A total of \$100,000,000 was made available for planning, surveying, engineering, acquiring rights-of-way, and for construction.

The Public Roads Administration suggested that state highway departments and municipalities take steps on the following matters: (1) establish the "urban areas"; (2) classify the highway system in each community in one of three classes — urban extensions of the new national system of interstate highways, urban extension of the regular Federal aid or primary system, or extensions of the Federal-aid secondary system in municipalities of less than 5000 population which are not included in an urban area; and (3) establish an interim list of priority projects.¹⁰

In late 1944 Congress set up a three-man Surplus Property Board, and all regional offices of the Surplus Property Office of the United States Treasury Procurement Division were instructed to place governmental purchasing agencies on their mailing list to receive regularly issues of the *Surplus Reporter*.

Our discussion thus far has dealt largely with the assistance given cities by the Federal Government. Let us glance at the other side of the ledger; cities have been of assistance to Federal agencies in a number of ways. For instance, municipal personnel have been used by the Federal Security Agency in administering recreational services outside of army camps.

¹⁰ *Public Management*, Vol. XXVII, No. 3 (March, 1945), p. 81.

Or perhaps a better example is the Selective Service System which was administered by locally appointed boards whose personnel were Federal employees. The administration of rationing is another illustration. This wartime activity was conducted by the Office of Price Administration working through local rationing boards. These boards were set up by the OPA in co-operation with local communities. Like the Selective Service boards, their members were residents of the locality but were Federal employees. In 1944 the OPA asked cities to pass ordinances on rationing and price control, providing fines for violations of OPA regulations. A few cities are reported to have done so.

In addition, city government shared directly in the process of industrial conversion from a peace- to a wartime basis through extension of services and facilities. It had to guard against sabotage, fire, and disease. It assisted Federal agencies in investigating alien enemies, in aiding applicants for citizenship, in conducting conservation and salvage campaigns, in providing vocational education, and in countless other ways that could be readily catalogued from the personal experiences of all of us.

The war witnessed an unparalleled spirit of co-operation among officials of all levels of government. But local co-operation was greatest where Federal war agencies recognized local autonomy and used local machinery to administer regulations of national scope.

POSTWAR RELATIONS

During the recent war the cities of this country and their officials carried a great responsibility. It was in our cities that the great bulk of the building, the gearing, and the direct management of our huge war machine was concentrated. The cities were the dynamos of our war effort, just as in peacetime they are the centers of our civilization.

The end of the war did not mean the end of their heavy responsibilities. Civic problems have changed in nature, but they continue to be extremely complex and difficult. In order

that our cities meet these problems, they must have the best of leadership and exert the maximum of effort. It will require, first of all, unity of action, unity with one another and with the instruments of state and national government.

We are fortunate to have established channels through which this unity may be attained. In the First World War cities faced their problems individually, with little benefit of the advice and experience of other cities. Furthermore, as individual units, the cities had little success during that war in conveying their points of view to busy Federal administrators in Washington. Confusing and often conflicting opinions and recommendations resulted.

In the last war this situation was somewhat changed. Cities could and did make their problems clearly known in Washington through competent organizations in both local and state governmental fields, such as the American Municipal Association, United States Conference of Mayors, National Institute of Municipal Law Officers, Council of State Governments, and similar groups. Through them, points of view were reconciled, recommendations unified and clarified before presentation. As a result, state and local problems were given more thorough consideration by the Federal Government before policies were adopted. At the same time, they furnished a vehicle by which Federal actions could be placed before state and local governments for their consideration, understanding, and aid. This was an important advance; it greatly furthered co-operation and unity among all levels of government. On the other hand, the powers of the Federal Government expanded rapidly during the war period.

The extension of power on the part of our Federal Government is not only a result of an emergency, but, in part at least, a by-product of the growth of urbanism. With communication, industry, and transportation transcending state lines, the city has grown as a focus of self-government and has developed interests which make it inevitable that there should be direct relationships between the city and the Federal

Government. This is especially true of the large city. In some cases the concentration of population and influence gives these cities prestige far outranking that of many states. Problems in these large communities are very similar — for instance, the situations which local government faces in such a city as Baltimore very closely resemble those faced by local government in Boston, St. Louis, Louisville, or perhaps Houston.

Within recent years many factors have led these cities to seek help from the Federal Government in solving their problems, and the Federal Government has responded with increasing frequency. Often the cities have sought Federal aid because they believed that the states were not willing or were not financially able to give assistance except under the stimulus of Federal leadership. The cities have tended to deal directly with the Federal agency rather than go through state channels. In the absence of official contacts, cities have depended upon unofficial representation in Washington to obtain a hearing on Federal-city problems.

Looking back over the period of the depression of the thirties and that of World War II, in many cases direct Federal-municipal activity was the only solution to many of the pressing problems. Some of our metropolitan areas, in fact city-states in some cases, no doubt deserved more sympathetic treatment than they were receiving from their respective state legislatures. On the other hand, viewed from a long-range perspective, it might be better that these local units fall into the conventional pattern and be required to channelize their activities through their respective state capitals rather than deal directly with Washington. In a governmental structure such as ours, where there are several layers of government, it is inevitable that problems will arise as to the interrelationships of these various units. These problems are of two kinds: first, a decision must be reached as to what unit is best able to administer certain functions; second, a decision must be reached as to what unit is best able to administer particular revenues. The governmental unit which is best fitted to ad-

minister a public service is not always the unit which can most effectively raise the revenue to finance the service.

It would seem advisable that Federal aid be extended under broad, functional grants — for example, Federal assistance should be provided for education generally and not only for particular aspects of education, as vocational education, or in the case of highways, road crossings or bridge building. This would enable the state to use these funds for whatever type of education or highway service it might deem wise. In the past, Federal funds have often been allocated for rather restricted services, leaving other services to be met out of local funds. If Federal funds were to go through state agencies, these agencies would have a voice in determining where they would do the most good. One would think a state agency should be best qualified to pass judgment on this problem. However, if state legislatures refuse to give sympathetic and just treatment to municipal problems, we may expect to see our cities continue to march upon Washington. We have examples in the WPA, the PWA, Federal interest in national health, the emergency housing legislation, proposed Federal financing to stabilize public construction and employment, Federal aid for school lunches and teachers' salaries, and other measures where it is being proposed that Congress substitute for state action.

Let us put it this way: If the states are unwilling or unable to deal with the important economic and social problems of our times, they should not complain when the Federal Government steps in. The trend toward Federal centralization will be halted only by the states taking a more positive stand in dealing with their own problems. In the past the expansion of Federal activities in many cases has been caused by the failure of the states and local governments to concern themselves with their economic and social problems. So many of our governmental functions today require the joint action of all levels of government.

On the other hand, some oppose the Federal-city pattern because they believe that state governments, municipalities,

and communities will be competing with each other for Federal aid and this will mean bargaining separately with hundreds of municipalities. Cities might be encouraged to undertake excessive and extravagant projects which would impose severe and continuing financial hardships upon their taxpayers. It is also pointed out that most municipalities need financial assistance from the state governments in the postwar period and that only a limited number have the necessary engineering, surveying, and other expert assistance which state governments possess. The larger projects might not necessarily be co-ordinated with the plans of the state government on a statewide system, and the latter might be required to assist in defraying at least part of the expense of their operation and maintenance under penalty of losing further Federal aid. In any event, the state no doubt would be required to furnish police services and to extend roads. Furthermore, attention is called to the fact that the state government, better than the Federal agencies, should be able to secure co-operation as to the selection of sites and use, and to resolve disputes arising between neighboring municipalities and their suburban areas.

The end of the war did not bring an end to the need of our urban communities for assistance. Many problems have developed in connection with the conversion of war economy to peacetime. As we have seen, there have been such matters as the acquisition of Federal surplus property by municipalities, the disposal of federally owned and municipally operated war public works, the disposal of temporary war public housing, the problem of the relocation of war workers, and other problems. The responsibility for the solution of these problems is Federal as well as local. If mass unemployment, for example, becomes a problem on the West Coast, it will be a result of the fact that war production brought to that area thousands of persons for employment whom private enterprise could not provide for during the readjustment period. To help those communities weather that economic crisis will be just as much a national duty as the provision of the

materials was for winning the war which brought on the crisis.

Many cities all over this country have special war-brought, postwar problems for the solution of which it seems only just that the Federal Government lend a helping hand. After the war, like our wounded veterans, they deserve assistance in rehabilitating themselves. The nation called upon them for their services and they have a right to look to the nation for help.

Our postwar municipal problems are complicated, but this much is clear — cities of the future must be prepared for closer relations with state and Federal agencies. It would seem wise that a person or agency in city government be made responsible for serving as a liaison officer and as a source of information for other city departments in matters concerning Federal and state government. A few cities have done this in the past; more will do so in the future.

As a matter of fact, the need for new mechanisms to link the layers of government grows more apparent as relationships multiply. During the war years, such organizations as the American Municipal Association, the United States Conference of Mayors, the Council of State Governments, and numerous other associations of public officials helped to cut new channels of communication between Federal, state, and local governments. A considerable measure of unity and balance was thereby introduced into the many wartime national programs. These agencies will undoubtedly continue to provide a point of contact for officials from the various levels of government.

Recently, several interesting experiments in "across-the-board" co-operation have been initiated. Among these may be mentioned the Pacific Coast Board of Intergovernmental Co-operation and the Council on Intergovernmental Relations.

The Pacific Coast Board of Intergovernmental Co-operation was formed on June 21, 1945, by representatives of the states of California, Oregon, and Washington, and representatives from cities and Federal agencies in the region. The

Board has no power in itself to do anything other than meet and discuss the common problems of government. Nevertheless, it is a hopeful development and, in the words of one observer, ". . . gives long overdue emphasis to the fact that there is hardly any problem that can be solved on a single governmental level."¹¹

The Council on Intergovernmental Relations, which maintains an office in Washington, D.C., is seeking to devise administrative procedures and mechanisms for blending more harmoniously the powers and interests of Federal, state, and local governments in the execution of their common purposes. Three counties have been selected by the Council for experimental programs in the improvement of intergovernmental relations: Colquitt County, Georgia; Blue Earth County, Minnesota; and Henry County, Indiana. The success or failure of these experiments will depend largely, it seems, upon the extent of voluntary co-operation between officials and governing bodies and the support of the local citizens.¹² Certainly, these are interesting experiments at a time which seemingly requires inventiveness in the field of intergovernmental relations.

In the preceding chapters an attempt has been made to call to the reader's attention the position of the city in our social, economic, and governmental system. Emphasis has been placed upon recent developments and present-day trends. With this as a background, we now turn our attention to a consideration of those factors, legal and extralegal, which have so much to do with the making of good or bad government in any community.

¹¹ Miriam Roher, "Coast States Try Co-operation," *National Municipal Review*, Vol. XXXIV, No. 10 (November, 1945), p. 484.

¹² See Harold D. Smith, "Intergovernmental Co-operation: New Goals, New Problems," an address before the American Municipal Association, Chicago, November 15, 1945.

The Municipal Electorate



OF ALL the factors making for good or bad municipal government, not one is so important as the municipal electorate itself. However, one should always keep in mind that for the most part the Federal Constitution leaves the determination of the composition of the electorate to the states. The city, as we have seen, is a creation of the state, and the electorate in both instances is very similar. As a matter of fact, most states make no differentiation in voting qualifications for those participating in state and those participating in municipal elections. In most cases the municipal electorate merely comprises those voters of the state who happen to reside within the geographical limits of the municipality.

It must be remembered that the privilege of voting is not a natural right, for if it were no one could justify the denial of the ballot to aliens, children, criminals, and idiots.¹ Rather it is a privilege conferred upon the individual, not so much for his personal benefit as for the benefit of the body politic; and the only legal limitations upon the power of the state to decide the composition of its electorate and those of its municipalities are the Fifteenth and Nineteenth Amendments of the Federal Constitution.² It is true that in many instances the states have

¹ Edward M. Sait, *American Parties and Elections* (New York and London, 1942), p. 23.

² The "suffrage clause" of the Fourteenth Amendment does not apply to local elections. It applies only to the election of electors for President and Vice-President, members of Congress, and the executive, legislative and judiciary members of the state government, and makes no mention of local officers.

succeeded in nullifying the Fifteenth Amendment through poll tax, literacy tests, residence requirements, and other methods.

In colonial America as in England at that time, voting was the special privilege of the upper classes. While the ownership of property was universally an essential criterion for voting, in some parts of New England membership in the Puritan church was of still greater importance than wealth. Some of the colonies denied Baptists, Quakers, Roman Catholics, and Jews the privilege of participating in public affairs.³ Delaware, Georgia, New Hampshire, and Pennsylvania, before the adoption of the Constitution, changed from property to taxpaying qualifications for those desiring the privilege of voting.

The first half of the nineteenth century was a notable period in our history for the extension of the suffrage. It was during this time that our electorate was gradually enlarged until it contained practically the entire white adult male population. The second extension came in 1870 when, by ratification of the Fifteenth Amendment, suffrage was extended to the Negro. The third and final extension came with the passage of the Nineteenth Amendment which made it illegal for any state to deny the ballot to anyone because of sex.

VOTING QUALIFICATIONS AND RESTRICTIONS

Residence. There is not a single state in the American Union that does not have a residence requirement for voting.⁴ Of the many suffrage restrictions now in existence, residence is perhaps the most continuous, the most universally used, and the least opposed by those who disapprove of voting disqualifications. Even at the time of the American Revolution the newly written constitutions of the states of Georgia, Maryland, North Carolina, New Jersey, New York, and Pennsylvania contained residence requirements for voting.⁵ And today most states require, in addition to state residence, local residence in county, in city or town, and in ward or precinct as an ab-

³ Sait, *op. cit.*, p. 18.

⁴ *The Book of the States, 1945-1946* (The Council of State Governments, Chicago, 1945), p. 88.

⁵ Kirk H. Porter, *A History of Suffrage in the United States* (Chicago, 1918), p. 21.

solute prerequisite to voting. Because of this local requirement our rural areas are frequently better represented in state legislative bodies than are our urban districts.

Residence depends upon two factors: first, the tangible existence of an actual abode in the community claimed as one's residence, and second, proof of one's intention to remain in the area. It is well to remember that, while a person may have an abode in more than one area, he can, for the purposes of voting and holding office, have only one legal residence. The residence of a minor must necessarily be that of his parent or guardian; and if a member of the armed forces has a legal residence, it must be the state and community which was legally claimed as such when he or she entered the services rather than the place of station.

Although every American state has an absolute residence qualification for voting, the requirements vary from state to state. The states of Idaho, Indiana, Iowa, Kansas, Maine, Michigan, Minnesota, Nebraska, Nevada, New Hampshire, and Oregon require only six months' residence within the state, while Alabama, Louisiana, Mississippi, Rhode Island, and South Carolina require two years, and in all other states the requirement is one year. Most states have county residence requirements, varying from ten days in Wisconsin, to one year in Alabama, Louisiana, Mississippi, and South Carolina. The majority of states also have district residence requirements, which may range from ten days in California, Iowa, Nevada, Washington, Wisconsin, and Wyoming to one year in Mississippi.⁶

The importance of these residence requirements may be illustrated by the findings of Charles E. Merriam and Harold F. Gosnell in their investigation of causes for nonvoting in Chicago's municipal election of 1923. They found that 5.2 out of every 100 adults who failed to vote did so because they lacked sufficient legal residence.⁷

⁶ *The World Almanac* (New York, 1947), p. 183.

⁷ Charles E. Merriam and Harold F. Gosnell, *Non-Voting* (Chicago, 1924), p. 78.

It is difficult to evaluate the merits of residence requirements. However, a requirement not to exceed one year in the state, three months in the county and one month in the district would not appear to be excessive. It may be proper to deny a person who has just moved from one part of the city to another the privilege of voting for district councilman or alderman, but certainly there would be little need for disqualifying such an individual from voting for officers chosen in a city-wide election.

Age. Of all the voting requirements, the most uniform is that regarding the minimum age of voters. At the time of this writing, every state in the Union, with the exception of Georgia, has a minimum age requirement of twenty-one years. Georgia, in its 1943 session of the legislature, decided to submit to the voters a constitutional amendment providing for lowering the age to eighteen, and the measure was approved.

The United States and Great Britain have chosen twenty-one as a minimum age for voting primarily because Anglo-Saxon Common Law has considered that to be the age at which one legally ceases to be a minor. Imperial Germany required a minimum age of twenty-five, while the Swiss Republic has set its requirement at twenty and the Soviet Union at eighteen.⁸ Actually the states have to set some age as a minimum, and that requirement must of necessity be arbitrary. However, there may be some logic in the argument that if the eighteen-year-olds are mature enough to fight for their country, they ought to have the privilege of helping decide who is going to govern it. Certainly an eighteen-year-old high school graduate ought to make as good a voter, if not better, than an eighty-year-old immigrant who may not speak the English language.

Citizenship. At present every state in the Union makes American citizenship an absolute requirement for voting, but this situation has not always been the case. Prior to 1812 few state constitutions contained the term "citizen." While many

⁸ Charles M. Kneier, *City Government in the United States* (New York and London, 1934), pp. 165-166.

of these constitutions incorporated the terms "white" and "male," most of them were late in adding "citizen."⁹ When Wisconsin joined the Union in 1848, her constitution permitted alien declarants to vote.¹⁰ They were also given this privilege in Indiana, Kansas, Louisiana, Minnesota, Oregon, and Wisconsin in 1860.¹¹ As late as 1889 aliens who had taken out their first papers could vote in fifteen states, and it was not until 1926 that the last of these states, Arkansas, finally required citizenship as a prerequisite to voting.¹² However, while many western and some southern states permitted alien voting, there was also a strong movement to deny the ballot to all but native-born citizens, and this movement, led by such groups as the "Know-Nothings," was particularly strong in the East, where it partly succeeded when Connecticut in 1855 and Massachusetts in 1857 adopted the literacy test in the hope of depriving the ignorant Irish Catholic immigrant of his vote.¹³

Today there seems to be little reason for giving aliens the privilege of voting. According to the figures given in the 1946 issue of *The World Almanac*, less than 250,000 immigrants entered the United States between 1940 and 1945.¹⁴ Those entering before 1940 have little justification for failing to take the trouble of becoming American citizens, and many of those entering since have become citizens either through the normal naturalization process or by the simplified process for members of the armed forces of the United States. On the other hand, there were 4,741,971 aliens in this country who registered in 1941 under the provisions of the Alien Registration Act.¹⁵ There seems to be little doubt but that many persons who might become American citizens fail to do so largely because of negligence on their part. Should they be rewarded with the privilege of voting?

⁹ Porter, *op. cit.*, pp. 38-39.

¹⁰ *Ibid.*, p. 119.

¹¹ *Ibid.*, p. 148.

¹² Sait, *op. cit.*, p. 36.

¹³ Porter, *op. cit.*, pp. 115, 118-119; Sait, *op. cit.*, pp. 31-35.

¹⁴ *The World Almanac* (New York, 1946), p. 668.

¹⁵ *Ibid.* (1942), p. 952.

Registration. Registration in some form or another is required by every state in the Union, but frequently the procedure is different in the urban areas from that followed in rural districts. Arkansas and Texas are sometimes listed as having no registration requirements. While the Arkansas constitution prohibits the requirement of registration for voting,¹⁶ the state does have a poll tax requirement which is accompanied by a registration form.¹⁷ In Texas there is a constitutional provision¹⁸ which permits the larger cities to initiate a municipal registration system, but up to the present this has not been done. However, the Texas poll tax receipt and the poll tax exemption certificate give the voter's name, address, age, race, occupation, facts regarding citizenship, sex, precinct and ward number, and length of residence in state, county, and city.¹⁹

A system of registration of the voters was first devised in Massachusetts as early as 1800, and it later spread to other parts of New England where it remained during the first half of the nineteenth century. However, the growth of cities in other parts of the country demanded that some form for checking those who participated in municipal elections be developed. In 1840 a special act of the legislature made registration a requirement for voting in New York City. Ten years later it was repealed, and another attempt to require registration was not made in New York State until 1859. In 1865 New York and Brooklyn began to require a personal appearance for registration of the voter. At first this requirement was confined to those cities of the Empire State with a population of over 15,000, but today it applies to all communities with a population exceeding 5000. In communities of less than 5000 the poll books are kept by a local board which keeps the voting lists up-to-date without requiring personal appearances.²⁰ Pennsylvania started to compile voting lists as far back as 1836, but largely because of the voting list scandals which

¹⁶ *The Book of the States*, p. 88.

¹⁷ *Idem*.

¹⁸ *Constitution of the State of Texas*, Art. VI, Sec. 4.

¹⁹ Poll Tax Receipt, State of Texas, County of Travis, 1946.

²⁰ Sait, *op. cit.*, pp. 713-714.

occurred in Philadelphia, discontinued the practice thirty years later. It was not until 1901 that the Pennsylvania legislature again classified cities for the registration of voters. The application of this system of personal registration reduced Philadelphia's electorate from 385,036 to 250,950.²¹ The period between 1860-1880 saw the extension of registration to the urban areas of other northern states, and the turn of the century brought its penetration into the rural areas of the North and into the South and the West.

The two types of registration employed today are the periodic listing and the permanent listing. The personal, periodic system may curtail the possibilities of fraud, but is more expensive than the permanent system and causes much greater inconvenience to the voter. It requires him to attend to his own registration by going to a registration center. Professor Gosnell points out as one of the results of his Chicago experiments that the electorate might have been increased some 10 per cent had it been better informed of the dates of periodic registration. Under the permanent system the voter registers once and remains on the list as long as he resides in the district. The annual house-to-house canvass by the police in the City of Boston has shown that the permanent lists can be kept up-to-date and free of fraud.²² Another method of keeping the lists accurate is employed in Minnesota, where a 1939 statute requires officers in charge of keeping death records to send notification of each death to the election registrars.²³ Permanent registration, in addition to reducing costs, reduces the red tape. Some eight states cancel registration when the voter fails to vote in two successive years.²⁴

Another variation in the registration process is central registration and district or ward registration. In some cities both systems are employed, with precinct registration confined to a few days during the year while the central office is open for a much longer period.

²¹ Sait, *op. cit.*, p. 715.

²² Harold F. Gosnell, *Getting Out the Vote* (Chicago, 1927), p. 105.

²³ Sait, *op. cit.*, p. 24.

²⁴ Three successive years in Oklahoma.

Today twenty-eight states have permanent registration on a statewide basis and eleven others have the permanent system for only certain areas. Four have the periodic system for all areas, while nine have periodic registration for some areas. A few states have periodic registration in some areas but no form of registration in other areas, and a few use both permanent and periodic registration. The Texas and Arkansas poll tax books may be considered as tantamount to periodic registration.

Some feel that if a registration system is to be adequate, it must preserve the purity of the ballot box, which it has not always succeeded in doing. Any registration system should make the burden upon the voter as light as is consistent with the prevention of corruption of the voting lists. In the large cities it might be a wise practice to check votes with the signature on the registration books. But perhaps the most important consideration of an adequate registration system is the character and the ability of the registrars.

Property. Of all the requirements for voting, the ownership of property is the oldest and is often considered to be the least democratic. Practically all the city charters written directly after the American Revolution make provisions for retaining the control of the municipal governments in the hands of the property owners by requiring the possession of property as an absolute prerequisite for voting. But during the first half of the nineteenth century this requirement was practically eliminated. When Rhode Island in 1928 abolished property qualifications for voting in municipal elections, property ownership universally ceased to be an absolute requirement for those voting for municipal officers.

However, certain states permit the ownership of taxable property to be used as an alternative for other requirements. For instance, Alabama, Georgia, and South Carolina permit its use as an alternative for literacy tests, and Rhode Island allows it to be used to lessen the state's rather long residence requirement.²⁵

²⁵ *The Book of the States*, p. 89.

The ownership of property is still an absolute requirement for voting on bond issues and special assessments in Arizona, Michigan, Montana, Nevada, Texas, and Utah. In Virginia the legislature has the power to set absolute property prerequisites for voting in local elections of any type.²⁶ Texas does not require the ownership of property as a prerequisite for voting in the election of officers, but it does require a poll tax. The property owners in most cases automatically pay the poll tax by virtue of the fact that it is included with the property tax.

Taxes. There are two types of taxes which have greatly influenced the composition of the electorate. The older of the two is the tax on property, and the more recent is the poll tax.

There was a time when the payment of property taxes, as a prerequisite to voting, was well-nigh universal. But this requirement, as we have stated, was discarded by most states during the first half century of our independence. As a matter of fact, to require the ownership of real property or the payment of property taxes in at least our larger American cities would be tantamount to the destruction of popular municipal government since the majority do not own their own homes.

At the present time seven American states have a poll tax as an absolute prerequisite for voting. All of these seven are in the South. Some municipalities assess a municipal poll tax, but failure to pay this does not always result in loss of the franchise.²⁷

In 1941 Tennessee and Texas passed legislation that would make it possible to retain the poll tax in all state and local elections even though Federal law might remove the poll-tax requirement from voting for presidential electors. However, at the request of Governor Prentice Cooper, the legislature of Tennessee during its 1943 session abolished the state's poll tax. But the Supreme Court of Tennessee, in a decision rendered on July 3, 1943, held the legislature's action unconstitutional. The court held that only a constitutional amendment could

²⁶ *The Book of the States*, p. 39.

²⁷ Harold Zink, *Government of Cities in the United States* (New York, 1938), p. 143.

abolish the Tennessee poll tax.²⁸ Pennsylvania, Louisiana, and Florida succeeded in removing their poll-tax requirements for voting during the nineteen-thirties and Georgia in 1944.

One of the arguments against the poll tax is that it greatly reduces the size of the electorate. Figures prepared by the Southern Conference for Human Welfare show that in the 1928 and 1932 presidential elections the average participation in the eight southern poll-tax states ran from 10.6 per cent of the adult population of South Carolina to 27.3 per cent of the adult population of Texas, while in the seven non-poll-tax border states the average participation ran from 53.5 per cent to 79.3 per cent. Professor V. O. Key, who quotes these figures, expressed the view that since interest in the poll-tax states is centered in the Democratic primary and the interest in the border states is centered around the general election, the use of figures for the general election does not give a true comparison. However, he seemed to agree that the poll tax does disfranchise a substantial number of citizens who otherwise would vote.²⁹ The Southern Conference for Human Welfare did not include the figures for non-poll-tax Florida, Louisiana, and North Carolina in the chart. The inclusion of the figures for these states might possibly have substantially reduced the difference between participation of the voters in the poll-tax and the non-poll-tax states.

The important fact is that even if the poll tax does not reduce the number of intelligent voters, and even though it may be a fair method of taxation, it is hardly a democratic requirement for voting. If it is supposed to eliminate corruption, how can the Memphis Crump machine³⁰ and the Maverick poll-tax scandal in San Antonio³¹ be reconciled with the anti-corruption purpose of the poll tax? If it is to eliminate the Negro vote, then how does it happen that Bob Church has

²⁸ *The New York Times*, July 4, 1943, p. 12, col. 3.

²⁹ V. O. Key, Jr., *Politics, Parties, and Pressure Groups* (New York, 1942), pp. 549-550.

³⁰ Virginius Dabney, "The Poll Tax Stirs Revolt," *National Municipal Review*, Vol. XXXI, No. 9 (October, 1942), p. 490.

³¹ *Ibid.*, p. 489.

been considered the Negro boss of Memphis³² and Perry W. Howard the same for Mississippi?³³

Literacy. The literacy test was originally introduced in the hope of depriving certain groups in the community of their right to participate in public affairs. It was first introduced by Connecticut in 1855 and was adopted by Massachusetts in 1857. In both of these states the original motivation for the test was the presence of large foreign-born elements, particularly the Catholic Irish,³⁴ whom the native American elements desired to eliminate from the political scene. In 1890 Mississippi led the way for the rest of the South in applying the literacy test for the purpose of excluding the Negro,³⁵ and at the present time only seven of the nineteen states requiring literacy tests as a prerequisite for voting are in the South.³⁶ Two others, California and Arizona, have large numbers of uneducated Mexicans within their borders. Massachusetts, New York, and Connecticut have a large number of foreign-born. Delaware, Maine, New Hampshire, Oklahoma, Wyoming, Washington, and Oregon have no particular ethnic group against which the literacy test may be applied. Alabama and South Carolina permit the ownership of property to be used as an alternative requirement. In addition to the ownership of property, good character and honorable service in a war in which the state or the United States has been a party are all sometimes made alternatives in some states for literacy tests.³⁷ It might be noted that in most of the literacy-test states the test is administered by political boards and election officials rather than by the educational authorities such as the Board of Regents, as is the case in New York State.³⁸

One is still astounded by the extent of illiteracy in the United States. In 1930 there were 4,283,753 illiterates over ten years of age, of whom 2,114,210 were over forty-five years

³² Peter H. Odegard and E. Allen Helms, *American Politics* (New York and London, 1938), p. 355.

³³ Sait, *op. cit.*, p. 39.

³⁴ Key, *op. cit.*, pp. 550-551.

³⁵ *The Book of the States*, p. 88.

³⁶ Porter, *op. cit.*, p. 208.

³⁷ *Idem.*

³⁸ For discussion of New York literacy test see Sait, *op. cit.*, pp. 32-34.

of age. The figures for 1940 show that 5.3 per cent of Americans between the ages of eighteen and forty-four have less than four years of schooling and that 53.2 per cent have not gone beyond the eighth grade. The figures seem to show that illiteracy is greatest in the South and least in the North, greater among the Negroes than the whites, and less among young than middle-aged and old persons.³⁹

It is difficult to see how the exclusion of illiterate whites could have much effect upon most municipal elections since their percentage of the total population in most cities is small; but the admittance to the poll booths of illiterate Negroes in certain areas of our country might present a different picture. However, we are still lacking proof to show that the electorate of the literacy-test states is better than that of the nonliteracy-test states. Also, it might be recalled that the illiterates are taxed and have sometimes been drafted into the armed services during time of war just as are the so-called literates.

Since most states now make school attendance compulsory until the age of sixteen, and since immigration has been greatly reduced, the problem of illiteracy and its effect upon voting should not be as pronounced in the future as it has been in the past.

Military Service. It is interesting to recall that in 1860 only fourteen out of the thirty-four then existent states permitted soldiers and other members of the armed forces to vote.⁴⁰ The tendency at the present time is in the opposite direction. Yet only about one-half of the states make voting provisions for persons serving with our armed forces. Maryland, New Jersey, and New Mexico limit absentee voting to those in the armed forces.⁴¹ The Constitution of Texas still emphatically denies the franchise to any person of the regular armed forces.⁴² If this were not true, it would be possible in some cases for the armed forces to control municipalities in which the Army or Navy has establishments.

³⁹ *The World Almanac* (1943), p. 571.

⁴⁰ Porter, *op. cit.*, p. 148.

⁴¹ *The Book of the States*, p. 89.

⁴² *Constitution of Texas*, Art. VI, Secs. 1 and 2 a.

Neither the Act of September 16, 1942, which provided a method of voting in time of war by members of our land and naval forces absent from the place of their residence, nor the later act as passed by Congress on March 15, 1944,⁴³ which amended the prior acts and provided for a United States War Ballot Commission, affects voting in state or local elections.

Absence from Community of Residence. Absence from the community of one's residence either at the time of the election or at the time of registration is one of the chief causes of nonvoting. However, this condition is not due so much to existing laws as it is to an ignorance of these laws. Kentucky and Mississippi are the only states which make absolutely no provisions for absentee voting. Maryland, New Mexico, and New Jersey permit absentee voting only for soldiers and other members of the armed forces. In addition to the fourteen states which make absentee registration possible for all citizens, Iowa permits absentee registration for all citizens of communities having permanent registration; Florida, Maryland, Massachusetts, and Rhode Island permit absentee registration for persons in military service only; and Pennsylvania permits only personal registration.⁴⁴ The chief difficulty as far as these laws are concerned is that the general public is not aware of their existence.

Other Restrictions. There are certain other restrictions upon voting which are to be found existing in the various states. For instance, mental instability and conviction for certain felonies are common disqualifications. Since a person who is dishonorably discharged from the armed services for desertion during war time loses his citizenship privileges, he loses his privilege to vote. In Alabama the law requires the voter to be a citizen of good character and one who understands the duties and responsibilities of citizenship under the republican form of government, or who has participated in a war between that

⁴³ During the spring of 1946, Congress passed legislation to the effect that the provisions relative to facilitating voting by members of the armed forces will continue as a permanent plan. The new law provides substantially the same procedure as before.

⁴⁴ *The Book of the States*, p. 89.

of 1812 and the Spanish-American War, or the descendants of such persons.⁴⁵

NONVOTING AND THE MEANS TO COMBAT IT

The problem of nonvoting has received considerable attention in recent years. While nonvoting reached a low ebb in the nineteen-twenties with less than half of the qualified electors voting in the 1920 presidential election and with participation falling below 35 per cent in many municipal elections of that decade, interest in public affairs and participation in them greatly increased during the thirties. It is evident that the size of the electorate depends upon issues, personalities involved, and the balance of power between the parties.

On the whole, nonvoting is more prevalent in municipal elections than it is in state or national elections, but the reasons for its existence are practically the same in every instance. Some of these are the lack of clearly defined issues and the absence of a real contest, the long ballot and too frequent elections, illness, disbelief in voting, and general inertia.

Providing the public with adequate information in regard to the election, the simplification of the election procedure, and the presentation of worthy candidates and real issues should reduce the number of nonvoters. Many voters are unaware of the rules regarding absentee voting, and others are ignorant regarding the candidates seeking office and the issues involved. Still others fail to cast their ballots because they are uninformed of the time and place of registration or even of the election date. An interesting method for the presentation of the candidates and their views has been employed by the State of Oregon. Here the state sends to every registered voter a booklet containing the names of the candidates and the principal facts regarding them, together with a discussion of the issues of the campaign. These pamphlets are distributed prior to each state primary and before each state general election. The candidates supply the material themselves, contributing ten dollars a page, while the state pays the rest of the expense

⁴⁵ *The Book of the States*, p. 88.

for the preparation and distribution of the pamphlet, the total cost of which is several times greater than the total amount received from the participants. Arizona, California, Massachusetts, North Dakota, Ohio, and Washington also distribute various forms of election pamphlets, and Nebraska uses the newspapers to do the same.⁴⁶ In New York State the League of Women Voters and the Citizens Union issue excellent pamphlets on the election issues and the candidates involved. A number of citizens' leagues in our larger cities have done likewise; Cleveland is a very good example.

Nonvoting may be reduced through the improvement and the simplification of the election procedure and by limiting the elective positions to those which are primarily policy-determining in nature, leaving the administrative positions to be filled by the appointive process. The adoption of a system of permanent registration also serves to eliminate nonvoting, which is due partly to failure of the voter to register periodically. Extending the hours of voting on election day would enable many who otherwise are unable to vote to do so without interfering with their business or professional activities.

Compulsory voting as has been tried in some European countries, such as Belgium, Czechoslovakia, Holland, the Swiss cantons, and Spain, is not the answer to the nonvoting problem. There is an old saying that you can take a horse to water but you cannot make him drink. It is also true that while the voter may be forced to go to the polls, he cannot be forced to think. After all, is not the more important factor the quality rather than the size of the electorate? Professor Gosnell's study of the Chicago electorate a number of years ago showed that voting varied directly with the education of the various groups studied, and that the well-educated were the most frequent voters and the illiterates the most frequent nonvoters.⁴⁷ Perhaps it is better that the educated elements exercise a disproportionate influence upon the government. Did the South

⁴⁶ William L. Josselin, "Oregon Educates Its Voters," *National Municipal Review*, Vol. XXXII, No. 7 (July, 1943), pp. 373-380.

⁴⁷ Gosnell, *op. cit.*, p. 97.

benefit by the North throwing the suffrage to the illiterate southern Negro during the Era of Reconstruction, and did the ignorant foreign vote improve the governments of our northern municipalities when many of them were under boss control?

There is only one effective method of combating the non-voting problem, and that is by education of the public, adult and minor alike, as to the importance of and the need for popular universal participation in public affairs. This is not to be attained through the sale of the idea that voting is a duty, but rather by a discussion of the issues and the personalities of the campaign and the advantages that will be gained through choosing one candidate and supporting one platform as against another candidate and another platform. The best way to insure participation in the elections of future generations is through instruction in the public schools. Students who take an interest in, and have a chance to participate in, student government gain an experience that will prove beneficial in making them better citizens when they reach maturity.

THE HETEROGENEITY OF AMERICAN CITIES

One of the most startling differences between the urban and rural electorates is the heterogeneity of the urban as opposed to the homogeneity of the rural. In most instances rural populations do not have the great differences of occupation, economic status, ancestry, religion, background, nationality, interest, and race that are commonly found among urban populations. The economic status of city dwellers ranges from extreme wealth to utter poverty, and a great proportion of this population is not native to our cities. It may have been recruited from the rural districts or from foreign lands. Democracy appears to work best in small homogeneous communities. Where there is a large and heterogeneous population, the problems of democratic government become more pronounced.

Nationality and Religion. No doubt most true Americans would like to be able to say that nationality and religion have little or no effect upon our American governmental institutions, but the politician knows that both of these forces exert their

influences upon these institutions. The reason that ethnical groups are of more importance in the city than in the rural community is their degree of concentration. Chicago, with its different German, Scandinavian, Italian, Irish, Negro, Polish, Jewish, and Czech districts, is almost a league of nations. A municipal office seeker who offends one of these major groups is quite likely to find himself on the losing side when the ballots are counted. In New York, Joseph V. McKee removed himself from public office by two rash statements made against Jews and Italians who together form over 40 per cent of the city's population.⁴⁸ It seems that the average voter prefers to vote for one of his own rather than for a member of a different nationality. Professor Key in commenting on this point says:

In cities, counties, and states with substantial minority groups, the ticket is likely to include persons from each of the groups, nicely apportioned according to the strength of the minorities represented. Similarly in filling appointive posts the political leader may ignore important racial groups only at his peril.⁴⁹

In speaking of these ethnical groups Professors Odegard and Helms write:

The influence of the public schools in breaking down old loyalties is of course very great. . . . But the old loyalties survive in family, religious and social relations, and these have a profound effect upon political attitudes.⁵⁰

Certain groups participating in the 1940 presidential campaign did not choose to ignore Willkie's German extraction, and others on the Republican side pointed to the disproportion of Catholics in the personnel of the Democratically controlled governmental agencies in Bronx County, New York. Nor did the 1940 "smear politics" ignore the Negro, the Italian, the Irish, or any of the other large racial groups.⁵¹

Ethnic factors will continue to affect American politics as

⁴⁸ This was due to the fact that the LaGuardia forces in the 1933 municipal election made capital out of the McKee statements regarding the Jews and Italians.

⁴⁹ Key, *op. cit.*, p. 152.

⁵⁰ Odegard and Helms, *op. cit.*, p. 330.

⁵¹ Hugh A. Bone, "Smear" Politics, *An Analysis of 1940 Campaign Literature* (Washington, 1941), pp. 17-21.

long as Americans look upon themselves as Jews, Germans, Italians, Irish, and so forth. Municipal government in this country would be immeasurably improved if the average city dweller looked upon his ancestry as something merely accidental, and did not carry his religious and racial affiliations into city politics. This, perhaps, is too much for which to hope.

The Negro. The northern Negro, unlike his counterpart in the South, is by and large a city dweller. Eighty-three per cent of the Negroes in New York State live in the state's two principal cities, New York City and Buffalo; in Pennsylvania 64 per cent live in Philadelphia and Pittsburgh; and in Illinois 71 per cent are to be found in the City of Chicago.⁵² However, like his brother in the South, the Negro in the North for the most part has not been easily assimilated. He constitutes the last of the great immigrations of whole racial groups into our great northern urban cities.

Unlike the Negro of the South, the northern Negro is in a better position to exercise political influence. His vote is desired by both major parties. But prior to the coming of the New Deal, the Republicans by and large could count upon the Negro's retaining his loyalty for the party of Abraham Lincoln. However, in some Democratic strongholds, many Negroes bolted the Republican party even before Roosevelt and the New Deal.

Tammany Hall, using the same methods on the Negro that it has used on the foreign groups, has been very successful in winning the Negroes over to the Democratic camp, and so has the Chicago machine. The New Deal attempted to win the support of the northern Negro by sponsoring relief programs, by favoring anti-lynching legislation, and by supporting various policies favoring his economic and social betterment. The fact that the Democratic machines in many northern cities have made concessions to him has tended to make him less race conscious and more class conscious. In addition, his dissatisfaction with the Republican party has increased partly because his desires of the past have not been met.

⁵² Sait, *op. cit.*, p. 72.

The poll tax, the white primary,⁵³ literacy tests, residence qualifications, and terrorism have all made voting difficult for the Negro in the South, but his vote has not been completely eliminated. Although he realizes that in most instances his ballot, if cast, will have little effect upon the election, there are quite a few southern Negroes who do vote. Especially is this true in nonpartisan municipal elections and referenda on bonds, tax rates, charter amendments, and extensions of city boundaries. As a general rule, fewer obstacles are placed in the path of Negroes desiring to vote in our southern cities than is the case in the rural areas.⁵⁴

ABILITY OF THE CITY FOR SELF-GOVERNMENT

Some writers make capital of the theory that democracy functions best in small homogeneous communities. They would lead us to believe that the heterogeneous population of the average American city is not capable of self-government. They point to the urban alien, the foreign-born, the "Little Italies," "Oslo Heights," "French Quarters," "Little Irelands," "New Jerusalems," and "Little Polands," and claim that there is a greater preponderance of vice in the cities than is to be found in the rural areas. They point to the radical tendencies of the municipal electorate, and they never fail to mention the city boss.

All this may be very true, but one should not forget that our

⁵³ As a result of the Supreme Court's eight-to-one decision on April 3, 1944, in the case of *Lonnie E. Smith v. S. E. Allwright and James E. Liuzza*, the white primary is no longer a legal restriction. As a result of the 1935 decision in *Grovey v. Townsend*, the Democratic party committees of eleven southern states legally barred Negroes from participating in the Democratic primary. Lonnie E. Smith demanded that the election judge officials, Allwright and Liuzza, of a Houston, Texas, voting precinct permit him to vote in the Democratic primary on the ground that the Supreme Court decision in *U. S. v. Classic*, 1940, reversed the earlier *Grovey v. Townsend* case. When they refused, he brought suit against them for denying him his rights. The Supreme Court stated in the case of *Smith v. Allwright and Liuzza* that the action of the Texas State Democratic Convention in denying Negroes the right to vote in the primary was a violation of the Fifteenth Amendment. See *The Dallas Morning News*, April 4, 1944, Sec. II, p. 4.

⁵⁴ Kneier, *op. cit.*, pp. 172-176; Paul Lewinson, *Race, Class and Party, A History of Negro Suffrage and White Politics in the South* (London, New York and Toronto, 1932), pp. 146-153.

rural areas have not found all the answers to their governmental, economic, and social problems. To be sure, commercialized vice, crime, and disorder exist in our more thickly populated centers, but it is also to be found in most of our less populous areas. Are the slums of our cities much worse than the dilapidated shanties which house so many of America's farm laborers? While the ignorant foreign-born present many a problem to our cities, the native-born, landless farm laborer of the northern rural areas, the ignorant white and Negro sharecropper of the South, the migratory "Okies" of the agricultural communities of California, and the peon Mexican laborers of the Southwest likewise present problems which rural America is facing today.

Finally, it might be pointed out that the city possesses certain definite advantages for self-government which are lacking in most rural districts. As opposed to the more homogeneous community of the rural district, the urban center has its compactness. As opposed to the greater interest of the rural inhabitant in public affairs, the city dweller is better informed and has better educational opportunities. The very diversity of ideas created by the social, economic, and racial heterogeneity of the city leads to a broader view on public questions.

Political Parties and Political Organization



A POLITICAL party is an association of individuals and groups who band together for the purpose of obtaining and retaining control of the political institutions of the community, state, or nation. The motivating factors may vary considerably, depending upon the individuals or groups involved. With some, participation in politics is a vocation upon which the individual is dependent for a livelihood; with others, it is an avocation engaged in as a hobby, as is stamp collecting, hunting, or fishing. To be successful in politics, as in any other activity, one must devote a great part of his time and energy to it.

In a broad sense, the term "politician" may be applied to anyone who tries to influence or manipulate the votes of others, regardless of whether this individual operates within the political organization, a church group, a great corporation, an industrial or craft union, a professional association, a ladies' sewing circle, or a dead-end-street boys' gang. In this sense the church deacon, the labor leader, the gang hero, the president of the ladies' club, and the industrial magnate are just as much politicians as are the precinct worker, the ward leader, the mayor of a city, the governor of a state, or the President of the United States; and the methods employed by the politician of a political jurisdiction are quite similar to those used in the control of a private club or association.

To many the politician of a governmental jurisdiction is one who manipulates government to suit his own ends. Marjorie Shuler perhaps stated the attitude of some when she expressed the view that the voters come to accept as their party leaders individuals whom they would not tolerate in either a business or social relationship.¹ The average politician, by and large, is of the same ethnical group and religious persuasion as the majority of the people in his bailiwick; or, as J. T. Salter expresses it, he is the prototype of his people.² If he serves the minority, it is because they pay more heed to him and to what he does. But to condemn our political leaders is to condemn the people themselves, for it is too much to expect that the leaders be far different from those who choose them.

ORGANIZATION

Good organization is essential to party success, and one of the cardinal principles of party structure is that a definite organization be maintained within each electoral area. In order to do this, Charles W. McKenzie estimates that about 1,125,000 party workers would be necessary if both of our major parties were to be completely organized in every part of the United States.³ The total population of Hudson County, New Jersey, is under 700,000, and the Hague machine alone employs 34,500 political workers to get out the vote on election day.⁴ The figures do not appear so excessive when one realizes that the Conservative Party of Great Britain has 250,000 local party workers who make up the membership of the Junior Imperial League.⁵

The work of a political organization revolves around human wants, and these are concerned with such things as jobs, food, justice, taxes, traffic violations, and what not. These wants

¹ Marjorie Shuler, *Party Control in Politics and Government* (Brooklyn, New York, 1922), p. 9.

² J. T. Salter, *Boss Rule* (New York and London, 1935), p. 205.

³ Charles W. McKenzie, *Party Government in the United States* (New York, 1938), p. 246.

⁴ Dayton D. McKean, *The Boss* (Boston, 1940), p. 136.

⁵ James K. Pollock, Jr., "British Party Organization," *Political Science Quarterly*, Vol. XLV, No. 2 (June, 1930), p. 175.

cannot be satisfied just before elections, but must be dealt with at the time the need exists, which means that the political organization must be in continuous existence.

Today the municipality is one of the most important units of government, since it is at this level that the citizen comes in most intimate contact with his government. Although the structure of city government may vary considerably from place to place, the activities of political organization on this level are everywhere practically the same. It matters little whether the political organization in a given community is Democratic or Republican, or whether it operates in New York, Indianapolis, Chicago, Philadelphia, Boston, New Orleans, or Baltimore; the method of wooing the voter is very similar.

It is almost an accepted axiom of the social scientist that whenever political power is made dependent upon the mobilization of mass consent, organization of some kind is inescapable. Inasmuch as the great bulk of the membership of a community, church, union, lodge, or corporation is too busy, disinterested, or insufficiently informed, the control of the group necessarily falls to a small minority. In a political community this minority is the controlling membership of the political party, and the degree of organization necessary will depend upon the size of the community. In a small homogeneous community, the organization is simple; but if it is a large heterogeneous municipality, the organization must of necessity be very complex.

Daniel Hoan, former Socialist Mayor of Milwaukee for a generation, contends that no man can remain long in public life without an organization behind him. He further pointed out that many a reform group has taken office only to be swept out at the next election because the group lacked the necessary organization to back it up.⁶ By way of illustration, it will be recalled that the reform group known as the "Citizen's Party," which gave the City of Cincinnati and Hamilton

⁶ Lindsay Hoben, "Dan Hoan, Mayor of Milwaukee," in *The American Politician*, J. T. Salter, ed. (Chapel Hill, North Carolina, 1939), pp. 279-280.

County, Ohio, such exceptionally efficient government as to attract nationwide notice, remained in power only so long as it could associate itself with either the Democratic or the Republican machine.

In order to meet the need for political organization in municipal government, our two major parties have maintained separate city organizations in most communities of 50,000 or more in population. It is within the cities that the party reaches its greatest intensity of organization and takes on an almost military aspect in the enforcement of rigid discipline from top to bottom.

The Hierarchy of Committees. One of the most significant aspects of American party organization is the hierarchy of committees. This hierarchy extends from the precinct or ward committees of the urban communities and the county or township committees of the rural communities up to the national committee, with each committee being composed, by and large, of representatives of the committee immediately below. With the possible exceptions of Mark Hanna of the Republican party and Franklin D. Roosevelt of the Democratic party, no national party leader has been able to extend the control of his national organization down to the state and local committees. Some state bosses, such as Republican Senator Platt of New York, Huey Long of the Louisiana Democratic machine, Frank Hague of the New Jersey Democrats, and the La Follettes of Wisconsin, have been able to make the local committees subservient to their wishes. However, these cases of state domination are quite exceptional. In instances where a state boss is dominant, it is usually because of the fact that he dominates some local machine. On the whole, the tendency has been for the local machine to dominate both state and national party organization rather than vice versa.

In the rural counties the county committee is usually all-powerful and dominates everything below it. In the urban counties there is a tendency for the county committee to be dominated by the organization of the county's chief city, as in the cases of Jersey City and Hudson County, Boston and

Suffolk County, Pittsburgh and Allegheny County, Cleveland and Cuyahoga County, Cincinnati and Hamilton County, Chicago and Cook County, the City of Los Angeles and Los Angeles County, and so on. In the cases of Baltimore, New Orleans, St. Louis, Philadelphia, San Francisco, the Virginia independent cities, and others that have been removed from county administration and jurisdiction, there are no county committees above the city committees, either by virtue of the fact that the city is completely independent of any county authority or because the limits of the city are coextensive with those of the county within which it is situated.⁷

Organization in Large Cities. It is in the large cities that the organization of the political party has reached its greatest degree of intensification. At the municipal level, government comes directly in contact with the most people. The functions of government are greater in a municipality than they are in most rural districts. Parties, in order to perform their functions within cities, must maintain an almost military organization with practically a military discipline within their ranks.

Almost universally throughout our nation the precinct is the unit cell of party organization. In 1940 the United States was politically divided into 127,245 precincts as against 120,187 in 1932. On the basis of the presidential vote, there was one precinct for each 392 voters in 1940 as against one for each 332 in 1932.⁸ New York City has approximately 5000 precincts, Chicago in the neighborhood of 3000, Philadelphia approximately 1283, Hudson County, New Jersey 658, New Orleans

⁷ For a more detailed discussion of the hierarchy of committees and the organization of the political party above the county level, see: Edward M. Sait, *American Parties and Elections*, Third Edition (New York, 1942), Chapters XIV and XV; Charles E. Merriam and Harold F. Gosnell, *The American Party System*, Third Edition (New York, 1940), Chapter VII; Peter H. Odegard and E. Allen Helms, *American Politics*, First Edition (New York and London, 1938), Chapter VII; V. O. Key, Jr., *Politics, Parties and Pressure Groups* (New York, 1942), Chapter XI; McKenzie, *op. cit.*, Chapters IX and X; Edward B. Logan, ed., *The American Political Scene*, Revised Edition (New York and London, 1938), Chapter II; Harold R. Bruce, *American Parties and Politics*, Third Edition (New York, 1936), pp. 224-237; and Robert C. Brooks, *Political Parties and Electoral Problems*, Third Edition (New York and London, 1933), Chapter VIII.

⁸ Figures for number of precincts are taken from Sait, *op. cit.*, p. 399; for presidential vote see *World Almanac*, 1944 (New York, 1944), p. 428.

262, and Austin, Texas 21.⁹ The size and number vary greatly throughout the nation, and also within any given city. For instance, in New Orleans precincts range from 150 to 550 voters;¹⁰ in Chicago there are 104 precincts with over 600 voters each and 539 with less than 400 each. It is true that the law of Illinois requires that a precinct be subdivided in case it has more than 600 voters, but the great mobility of Chicago's population has made equitable enforcement of this law virtually impossible.¹¹

As a rule, state law provides for the size of precincts, and apparently these vary from a maximum of 250 voters each in Washington State to 2000 voters in the metropolitan districts of Massachusetts.¹² The exact boundaries of these precincts are usually set by city ordinance, and in some instances the city council reapportions the precincts after each election.

In charge of the political party's organization within the precincts are the precinct captains or leaders.¹³ In many cities each political party has one precinct captain for every precinct. In case a precinct has two leaders, one is usually a woman. These precinct captains or leaders may be elected by the voters as is the case in Pennsylvania cities, selected at precinct caucus as in some cities, or they may be appointed by the ward leaders, as is the case in New York, Chicago, New Orleans, and many other cities. In reality practically all are appointed by the hierarchy of the party organization.

Every precinct captain needs some assistance. This is provided by precinct workers whose number varies greatly, not only from city to city but also from precinct to precinct within

⁹ Precinct figures for Hudson County (Jersey City and vicinity) from McKean, *op. cit.*, p. 136; and for New Orleans, George M. Reynolds, *Machine Politics in New Orleans* (New York, 1936), p. 111, Austin figures from Travis County Tax Collector's Office. In Austin precincts are called wards, but there is no intermediate organization between ward and county and none below the ward.

¹⁰ Figures from Reynolds, *op. cit.*, p. 111.

¹¹ Figures from Harold F. Gosnell, *Machine Politics: Chicago Model* (Chicago, Illinois, 1937), p. 52.

¹² Figures for Washington and Massachusetts maxima from Bruce, *op. cit.*, p. 237.

¹³ In Pennsylvania, precincts are known as divisions and their leaders called division committeemen.

any given city. The tenure of a precinct worker usually depends upon his ability to get the voters out for the party in both the primary and the general election. A successful precinct worker may eventually be promoted to the post of precinct captain.

The precinct captains form the backbone of the political army, and the party's success depends largely upon how well they do their work. They are the ones who come into intimate, day-to-day contact with the voters, who ring doorbells, hand out the leaflets, canvass the neighborhoods, engage in soap-box orating, help Mr. Nepoli obtain a job as a city laborer, push through Jefferson Washington's old age pension requests, see to it that the needy get relief, get Mrs. Murphy's son out of jail, squash Mr. Smith's traffic ticket, and the thousand and one other services which a party organization does in return for votes. It is because of these services that the politicians from the President of the United States down to the humblest precinct worker feel that a man's vote belongs to the party who has done him a favor and think of elections as ratification meetings in which the citizenry endorse the selections of the organization which has performed the greatest number of favors for the greatest number of people.

It would seem that considerable improvement in the character of the average precinct captain has occurred in recent years. The following quotation taken from Professor Gosnell's *Machine Politics* is very much in point here:

As compared with his 1928 predecessor, the 1936 precinct committeeman in the city of Chicago was less of an employment broker, less of a tax-fixer, less of a traffic-slip adjuster, but more of a go-between for the relief agencies and the various branches of the federal government. . . .

The depression has brought some improvement in the ethical standards of the party workers of the city, but these standards are still pitched at a very low level.¹⁴

¹⁴ Quoted from Gosnell, *op. cit.*, p. 90. For general discussion of precincts and precinct leaders see: Sait, *op. cit.*, pp. 399-404; Merriam and Gosnell, *op. cit.*, pp. 144-146; Harold Zink, *Government of Cities in the United States* (New York, 1939), pp. 175-190 (Particularly good for his differentiation of the precincts of poor neighborhoods from those of well-to-do residential districts); McKenzie,

Next above the precinct in the party hierarchy of the city's political organization is the ward. Unlike the precinct, the ward is for the most part a unit which is more or less restricted to cities with a population of over 50,000.¹⁵ The size of the ward varies from city to city and also within each city. Usually they comprise from fourteen to eighty precincts and from 5000 to 40,000 voters, although some, especially in New York City, are a great deal larger. Chicago and Philadelphia have fifty wards each, New Orleans seventeen. New York City has sixty-seven, called "Assembly Districts," of which New York has sixteen, Kings twenty-four, Bronx thirteen, Queens twelve, and Richmond two.¹⁶ The number and the size of the wards are generally determined by state statutes, but in Chicago the boundaries of the wards are left to the city council which is supposed to reapportion these once every ten years. In cities where large municipal councils are still found, such as Chicago and Atlanta,¹⁷ each ward elects one councilman. In New York each assembly district elects one assemblyman to the state assembly; in New Orleans each ward elects one representative to the state Democratic convention, one to state constitutional conventions whenever such are called, and at least one representative to the lower house of the Louisiana state legislature.

The political leader of a ward is usually known as the ward leader.¹⁸ In most cases this post is filled by one person, but some states and cities provide for the election of a coleader, in which

op. cit., pp. 245-247; Bruce, *op. cit.*, pp. 238-240; Brooks, *op. cit.*, pp. 157-160; Charles M. Kneier, *City Government in the United States* (New York and London, 1934), pp. 63-65; Logan, *op. cit.*, pp. 63-65. For local case studies see: William E. Mosher, "Party and Government Control at the Grass Roots," *National Municipal Review*, Vol. XXIV, No. 1 (January, 1935), pp. 15-18, p. 38 (Only for upstate New York); Salter, *op. cit.*, for Philadelphia; Gosnell, *op. cit.*, chapters III and IV, for Chicago; Reynolds, *op. cit.*, pp. 111-117, for New Orleans; and for Jersey City, McKean, *op. cit.*, pp. 132-133.

¹⁵ The ward in New York is known as an assembly district because one assemblyman is elected from each.

¹⁶ Prior to the legislative reapportionment act of 1943 New York City had only sixty-two assembly districts, of which New York and Kings each had twenty-three, Bronx eight, Queens six, and Richmond two.

¹⁷ Each of the six wards in the City of Atlanta elects one representative to the upper house of the city council and two to its lower house.

¹⁸ New York ward leaders are called "assembly leaders," and coleaders (must be women) are known as "assembly coleaders."

event the coleader is usually a woman. The means of selecting ward leaders varies from city to city and from state to state. In Chicago they are elected directly by the voters in the party primary, in Pennsylvania cities they are theoretically chosen by the division leaders at a ward committee meeting, in New Orleans the men who are elected at the Democratic primary as delegates to the state convention also serve as ward leaders for their particular wards, and in New York City the assembly leader is elected by the assembly district's representatives to the county party committee. In practically all cities the ward leader is the representative, or, when he is not, chooses the ward's representative to the city committee and, when there is one, to the county committee. His function is to co-ordinate the activities of the precinct committeemen whom he technically represents on the city and county committees. In reality the precinct workers are usually his helpers, and he is the aide to the city's political leader.¹⁹

The city committee mentioned above is over the ward committee and is usually composed of the ward leaders. In such cases as the Virginia independent cities or Baltimore, Philadelphia, New Orleans, St. Louis, and San Francisco, where the boundaries of the city and county coincide, there is no intermediate party agency between the city committee and the city organization. The city committee co-ordinates the activities of the entire party organization within the city, and elects an executive committee and a city chairman to function as its executive. Sometimes the elected head of the city committee is the "boss," but frequently the "boss" is not even a member of the city committee and holds neither an official party office nor any other public office.

In New York City there is no city committee; however, a party caucus of the five county party chairmen comes together

¹⁹ For general discussion of city wards and ward leaders see: Zink, *op. cit.*, pp. 189-192; Merriam and Gosnell, *op. cit.*, p. 147; McKenzie, *op. cit.*, p. 247; Sait, *op. cit.*, pp. 405, 441-445; Kneier, *op. cit.*, pp. 244-245; for Chicago, Gosnell, *op. cit.*, Chapter II; for New Orleans, Reynolds, *op. cit.*, paying particular attention to pp. 118-122. For an illustration of what transpired at one of these ward committee meetings of a Philadelphia ward, see Salter, *op. cit.*, pp. 132-134.

informally once every four years for the purpose of selecting a city-wide slate for mayor, comptroller, and president of the city council. The action taken by the county leaders at these informal city caucuses must be approved by each county executive committee. As a matter of fact, New York City has five county committees for each of its major parties. These committees are unique in that they are composed of one representative elected in the primaries for each twenty-five votes that the party's gubernatorial candidate received in the last election. In the case of New York County (Manhattan), the Democratic county committee numbers over 15,000 members and the Kings County committee even more. However, these county committees are mere "yes bodies" for the county executive committees, which are made up of the assembly leaders and the more influential county committee members.

Rural and Small City Organization. While our small cities and villages may be divided into precincts, as a general rule these small communities have no central political organization. Their precinct captains are usually functionaries of the county organization and busy themselves primarily with county affairs. Ordinarily, the small city precinct committeemen do not perform the functions nor assume the responsibilities of their counterparts in the large municipalities; nevertheless, their methods are often far from simple and may involve all the kinds of trading for which the big town politician is famous.

It would seem that the chief difference between the urban boss and his rural counterpart is that the municipal political magnate is more spectacular because he is more open to publicity and has a better opportunity to seek the limelight. The rural political baron operates more or less in the shadows, and although he may employ different tactics, he is no more rare than the urban species. Nor do the facts support the contention that rural politicians are less "crooked" than their city brethren.²⁰ Politicians, be they urban or rural, all depend upon patronage. It is seldom, however, that urban politicians have

²⁰ Sait, *op. cit.*, p. 423.

substituted "bullets for ballots," as has sometimes happened in Harlan County, Kentucky.²¹

Political Clubs. Any discussion of municipal political organization would be incomplete without mention being made of political clubs. The club is not a part of the regular party organizational hierarchy; rather, it is an auxiliary organization. Usually the club is attached to the ward and the city organization as a whole, but in some cases it exists in even smaller units, as in the case of the precinct clubs of New Orleans. The political club combines political action with social and philanthropic activities. It often forms the headquarters where the district political activities are carried on, where patronage for the district is distributed, and to which the needy may come for relief.

Most club members are party workers, and some of them may belong to the party hierarchy. Many render voluntary service in the form of handing out leaflets, helping precinct leaders, making contributions to party funds, influencing friends and relatives to vote the "right" way, and the like. For the most part, however, party precinct captains and ward leaders form the real core of the club. When the club is a precinct organization, the party precinct captain usually serves as its head; when it is a ward club, the party ward leader in most cases is in charge; and when it is city-wide, as the Choctaw Club of New Orleans, the city boss, if not the titular head, is the one actually in charge. Sometimes the political clubs are entirely independent of the control of the party hierarchy, but that does not happen often. When it does, it is usually an organization of the "outs" trying to overcome the "ins," as was the case of the Irving Hall Club of Tilden and others attempting to secure control of the New York Democracy from the Wigwam of Tammany Hall.²²

The club dues frequently run around fifty cents per month, but club members are seldom expelled for not paying them.

²¹ Salter, *op. cit.*, p. 4.

²² For details about the Tammany Hall-Irving Hall Struggle see sketch on "Honest John Kelly" in Zink, *City Bosses in the United States: A Study of Twenty Municipal Bosses* (Durham, North Carolina, 1930), pp. 113-127.

Deficits are usually made up out of party funds or from the pockets of ward, precinct, or city bosses controlling the club. Most party organizations are anxious to maintain these clubs and to maintain a membership as large as possible. However, there is not always the same anxiety to establish and maintain these clubs in well-to-do residential areas as in the poorer neighborhoods. In Chicago's better neighborhoods they are not encouraged; in fact, there has been some actual hostility toward them.²³

Perhaps the most renowned of all political clubs is that of the New York County Democracy, Tammany Hall. Most of the political infamies that men have been able to concoct have at various times been ascribed to Tammany Hall. After reading some accounts, one would think that Tammany invented the spoils system, the corrupt politician, the unscrupulous boss, and the political gang. Actually, it is doubtful that Tammany is any worse than most other associations of its kind; the evils which have been ascribed to the Wigwam are as old as politics. Tammany's notoriety has been due largely to the fact that it has been in control of the largest, the greatest, and the richest municipality in the land. What it did was consequently on a big scale.

Just as Tammany Hall, the most famous city machine, has had the most famous political club, so have the most famous Tammany ward bosses had the most famous ward clubs. Of these the Timothy D. Sullivan Association and the Thomas F. Foley Association have been the most celebrated. The Timothy D. Sullivan Association was the Democratic assembly district club for "Big Tim" Sullivan's bailiwick, the Bowery and the lower east side of New York City. To many people of the neighborhood it was the only place where they could find recreation. Its annual picnic was the outstanding event of the year as far as the Bowery folk were concerned. Its activities went far beyond merely advancing Sullivan's and the Wigwam's political ambitions, and its hall was more than just a headquarters and hangout for Bowery politicians and would-be

²³ Gosnell, *op. cit.*, p. 83.

politicos. Its social functions ranged all the way from parties for children to costume balls.²⁴

Another outstanding city-wide political club is the Choctaw Club of New Orleans which, like Tammany, exercises much control over the Democratic party of that city. The total membership varies from three to six thousand persons, and it is composed of a good cross section of the city's population. The directors of the club are the seventeen ward leaders who play an important part in the city's government. Between elections the club is rather quiet, with its emphasis, at least on the surface, being placed upon social activities.²⁵

Mention might also be made of the ward club of "Czar" Martin Lomasney, the "Mahatma" of Boston's old eighth ward, which existed from the 1880's to the 1920's. It had a ward executive committee, a special "Jewish" committee, and a larger general committee.²⁶ In addition to these various permanent political clubs, there have been fly-by-night organizations that have existed for only one campaign or until the issue which they sponsored died. As an example, one might mention the Independent Voters League for LaGuardia in the New York mayoralty campaign of 1941 or the Willkie Clubs in the presidential race of 1940.

THE MACHINE AND ITS METHODS

As we have seen, a political party is in most instances dominated by a small group of leaders who decide upon its policies, select its candidates, and enforce their will upon the mass of the party membership. This tendency is spoken of as "party control," which in most cases is synonymous with the "machine," the "ring," and the "boss." When party control extends from the bottom up, it can be said that the party is

²⁴ See Zink, *Government of Cities in the United States*, p. 214; Zink, "Big Tim Sullivan," in *City Bosses*, pp. 85-95. For the social activities of another Tammany assembly district club, see the description of an outing of the Thomas Foley Association which staged a picnic in 1928 that was attended by over 28,000 children in Odegard and Helms, *op. cit.*, pp. 478-479.

²⁵ For a discussion of the Choctaw Club see Reynolds, *op. cit.*, pp. 109-111.

²⁶ For a discussion of Lomasney's ward club see Zink, *City Bosses*, p. 74.

democratically controlled. When the reverse exists and the control extends from the top of the political hierarchy down, a political machine is said to be in existence. Unfortunately the existence of a machine is almost universal; and hence it may be said that in an autocracy the few rule in the name of the monarch, in an aristocracy the elite rule in their own name, and in a democracy far too frequently we have a few who rule in the name of the people.

Regardless of the name they carry or the particular section of the country in which they belong, political machines tend to be similar in organization and purpose. The change in Chicago from Democratic to Republican machine control in the early part of the thirties was a change in party labels rather than in principles for which the opposing organizations stood. Nor can one easily differentiate the organization, function, and activity of a Southern machine, like the Maestri organization of New Orleans, from those existing in Philadelphia, Jersey City, or San Francisco.

No matter how much we may oppose the phenomenon of a political machine, it must be admitted that organization in politics seems to be both desirable and inevitable, and that there is a definite necessity for a spokesman, if not a boss, in every community. It is not likely that the machine will be destroyed nor that democracy will be able to function without it. Perhaps the best way to control a machine is by the establishment of an opposing one, thereby presenting to the voter a choice of issues and leaders. The evil is not the machine itself, but rather the machine without effective opposition.²⁷ A political machine, like a corporation or a labor union, has a tendency to become monopolistic and autocratic when it has no opposition. The public and the machine alike find that there is no reformer as effective as defeat.

The chief point of concern for the average citizen is not whether his community is machine controlled, but whether those in authority are respecting his best interests. What the machine and the voter both need to remember is that no

²⁷ Reynolds, *op. cit.*, pp. 237-238.

organization can remain in control once the people are determined to eliminate it. The success of the machine may be determined and the intelligence of the voter may be demonstrated by the care with which this fact is observed by both parties. Experience demonstrates that once the "insiders" become entrenched, it is difficult to wrest control from them. The voters, like the stockholders of an industry, must be eternally vigilant lest their rights be disregarded. Hence they must be busy continually organizing rival forces in order that their interests be protected.

While the city treasury and the public service are all too frequently raided by the machine for the purpose of rewarding its henchmen, nevertheless, it must be recalled that this much-condemned and denounced machine makes government possible in a land of checks and balances. It brings together the scattered powers of government within the community and focuses them toward effective political action. It serves as an agency through which the decentralized governmental agencies are co-ordinated. It makes possible a method of holding the administration responsible to the electorate. By and large, it presents a means by which the voter may better understand and control his government.

A city machine, like an octopus, grows by extending its reach. This reach, which originates in the local community, soon extends to the state capital, and eventually its force may be felt in Washington, D.C. The local machines have something which both state and Federal officeholders want — votes. In return for votes and support, the state and Federal authorities give the local machine control of state and Federal patronage within its jurisdiction. Many a state and Federal official has been forced to retire from politics because of a revolt of the local machine; on the other hand, many a local machine has been made to feel the folly of alienating the gentlemen in the state and national capitals. Tammany Hall's recent decline was due in no small way to its conflict with the Roosevelt administration, which mistake the Chicago and Jersey City Democratic machines wisely avoided duplicat-

ing.²⁸ The only defeat that the Choctaw machine of New Orleans ever suffered before its fight with Huey Long came as a result of the activities of an opposing machine under the direction of Governor John M. Parker.²⁹ A machine, then, in order to be truly successful, must control the personnel and the policies of government at all levels. Many contend that Franklin D. Roosevelt's success on the national level was due largely to party control on the state and local government levels.

One of the favorite methods of American political machines is to "co-operate" with the opposing party's machine on the same governmental level or at different levels. Such an arrangement, when made between members of opposing parties, is known as a "bipartisan" deal. It strikes at the very core of American democracy, for it denies to the electorate a choice of rulers and issues. One of the most notorious examples of such an arrangement in recent years occurred in 1935 between Democratic Mayor Kelly of Chicago and the Cook County Republicans. As a result, Kelly was re-elected Mayor of Chicago by a vote of 800,000 to his opponent's 167,000. Another illustration of the same thing, where Democrats and Republicans have found it profitable to co-operate, is in Jersey City and Hudson County, New Jersey. By joining forces, former Mayor Frank Hague not only controlled the Democratic party of the state, but he also dominated important segments of the Republican organization. For the most part, it appears as if the two-party system has been suspended in Hudson County for the past thirty years.

As has been shown, the machine performs many useful functions. Nevertheless, it is an expensive luxury in that it breeds waste and extravagance. The eleemosynary and social functions of the machine require more money than is spent on actual election campaigns; and as long as there is widespread poverty among the electorate, the underprivileged voter is

²⁸ Gosnell, *op. cit.*, pp. 21-24; Kern, "F. LaGuardia" in Salter, *American Politician*, p. 21; McKean, *op. cit.*, pp. 95-105.

²⁹ Reynolds, *op. cit.*, pp. 208-217.

sure to support at the polls those who seemingly have extended a helping hand. The machine, like Robin Hood, steals from some to give to others. In the end all the people pay.

Imagine a reformer asking the beneficiaries of the machine's charitable and social activities to repudiate the boss because he has not kept faith with the civil service laws or with those requiring competitive bidding for public contracts. Many times reformers try to break a machine with supposed "cure-alls" only to find the machine itself supporting the "cure-all" with modifications to fit its own needs, as was the case in New Orleans in 1912 when the Choctaw machine beat the Good Government League by adopting the main point of its program, commission government.³⁰ It would appear that there is no single nostrum for the evils of the machine, but anything which would simplify the electoral process and stimulate the public interest in political matters would certainly tend to weaken its hold upon the voter. Another means of lessening the power of the machine is the short ballot, which tends to concentrate authority and responsibility. Giving more permanency to those holding public office and providing for their advancement on merit and ability encourage better work on the part of the public servant and attract those of higher caliber to public life. Were these things accomplished, many of the worst ills of the machine would vanish.

Between the machine and the boss, commonly there is the "ring" which serves as a connecting link. It is the small group that controls the party or the machine organization, and usually exercises this control for personal aggrandizement. The ring will exist wherever it is impossible for one man to dominate the scene alone and where he must seek the aid of others in order to do so. It, therefore, will be composed of those men who are indispensable to the boss and with whom he cannot break without doing violence to the machine. The ring usually gains control through the organization, but it may have seized power from the outside.

Perhaps the most notorious ring ever to get control of an

³⁰ See Reynolds, *op. cit.*, p. 206.

American city was the Tweed Ring which, during the two years between 1869 and 1871, robbed the people of New York City of approximately \$80,000,000. The Tweed Ring was preceded by the Hoffman Ring and succeeded by the Kelly Ring, which included "Honest John" Kelly who later became Tammany Hall's boss. Other notorious municipal rings were the Philadelphia Gas Ring of Boss McManus of Philadelphia,³¹ the Ames Ring of the "Genial Doctor" A. A. Ames of Milwaukee, and the ring of the "Curly Boss" Abe Reuf of San Francisco.³²

The Boss. The term "boss" is often used to designate one of the members of the "ring" who stands out above all the rest. Not infrequently the term is employed to denounce a prominent political figure. When such occurs, he is a "politician" and a "boss"; but when he is being praised, he is lauded as a "statesman" and a "public leader." In reality a boss is merely a political leader with a following which he more or less dominates. He may be a precinct boss, a ward boss, a municipal boss, a rural county boss, a state boss, or even a national boss. The difference between a lowly precinct boss, a rural county chairman, a great municipal baron, and a totalitarian dictator is more one of degree than of kind. Although their methods may differ somewhat, all are after the same thing — power and the fruits which it brings.

In some cases the boss may be the actual official head of the government. In other cases he may be the official head of the party, but holding no official governmental position; and in still other cases he may be the official head of both the government and the party. At times the boss holds neither a public nor a party position, as was true in the case of Frederick Lundin, the "Silent Boss" of Chicago. The boss is not so much the one who holds the highest titular rank, in either the party or the government, but rather the one who is recognized as

³¹ For the Philadelphia Gas Ring see Thomas H. Reed, *Municipal Government in the United States* (New York, 1926), pp. 96-98, and the sketch on McManus in Zink, *City Bosses*, pp. 194-205.

³² See Zink, *Government of Cities*, p. 197, and sketches in Zink, *City Bosses*, pp. 334-364.

the leader by the others in the party or in the government — the individual to whom one must go to get something done.

Not all bosses are sinister and dishonest men who run their political machines solely for their own personal aggrandizement. Many of them seem to have a keen sense of public responsibility.³³ Nor do they all obtain their power through secret and corrupt means, as is sometimes thought. Some are openly elected by the party membership.³⁴ The contention that all bosses are rigid disciplinarians who will not tolerate any opposition is also far from being universally true. Martin Behrman, boss of New Orleans for a generation, sought to destroy opposition through compromising with it and owed much of his success to his ability to do so. His slogan was, "Let's get together."³⁵ The important fact to remember is that no boss, not even a totalitarian dictator, may dominate and tyrannize all his allies, or even too many of them, lest he cause them to rise up against him.

Boss rule is not restricted to communities where the presence of large numbers of foreign-born are to be found. In fact, some of the blackest bosses have ruled over baronies that have contained populations which were overwhelmingly native American. It is true that bosses flourish best in poor neighborhoods; but if the poor and foreign-born aid the boss, it is not so much because they are poor and foreign, but rather because the boss is one of the few American institutions willing to extend a helping hand.

Quite frequently the boss is characterized as illiterate himself and an enemy of education, neither of which is necessarily true. Martin Behrman of New Orleans was left an orphan at the age of twelve, and being forced to give up day school at the time, continued in night school and obtained a speaking knowledge of French and German while quite young. One cannot visit New Orleans for long today without hearing of what he did to make it possible for the children of that city to have ad-

³³ McKenzie, *op. cit.*, p. 493.

³⁴ Sait, *op. cit.*, pp. 417-418.

³⁵ Reynolds, *op. cit.*, p. 103.

vantages which he had been denied. William Tweed prided himself on being a great and discriminating reader. It is said that, as a matter of principle, he subscribed to all New York dailies. Nor is it true that bosses invariably ally themselves with big business interests. Frank Hague, who was probably one of our most powerful city bosses, could hardly be called a friend of the corporate interests. Huey Long, the hillbilly boss of Louisiana, counted on the "great unwashed" of the rural districts as the basis for his power.

A successful boss is loyal to his friends, he possesses good personal qualities and the ability to make contacts, and he must be able to organize and to effect compromises. He must possess the capacity to fit in with the economic forces of his day and age; and the power to evaluate public sentiment in political affairs is also essential. He must profess to be a servant of the masses and, at least on the surface, appear as a champion of social reform, as well as a defender of the poor and an opponent of the rich. If the papers are against him, he denounces them as the tools of the wealthy and the special interests. Power, rather than wealth, is usually the principal motivation of the boss, although if he wins, he may get both. If he likes publicity and personal attention, there is much to be had. He is sought after and contacted by all, from the pushcart peddler and the traffic law violator to the big public utility magnate who desires to obtain special privileges. It is this universal desire on the part of the public to seek special privileges through the boss and his machine that makes him representative of the people of his community.

Bosses usually obtain their positions by coming up through the party organization. Frequently they start by holding precinct and ward posts, from which they work their way up through the ranks. By and large, a boss's work is arduous and hard and consumes many long hours. Martin Behrman once said that in order to be a precinct captain one had to work, to be a ward leader one had to work hard, but to be the city leader one had to work day and night. Sometimes an absent, not-too-hard-working city boss may be extremely successful,

but usually the boss has to be Johnny-on-the-spot. One of the paramount reasons for the fall of the Vare machine in Philadelphia was Vare's poor physical condition which made it impossible for him to provide anything but absentee leadership. The boss must work hard to obtain his position, and once he has attained it, he is required to continue to work if he would maintain it.

There are times when a political underling becomes boss by undermining, supplanting, or outsmarting the existing boss. At other times a faction of the party which opposes the existing regime or an opposing party may be utilized by a political manipulator to set up a new machine. This happened in the case of Frank Hague who led a reform ticket opposing the existing administration and advocating the adoption of commission government for Jersey City. Hague, however, was not a novice in politics at the time that he was elected mayor of Jersey City. He had gone through a long apprenticeship, serving as precinct worker, ward leader, constable, and finally as police commissioner of Jersey City.³⁶

It is a well-recognized principle that every institution functions best when it has a single head responsible for administration. Most political scientists, as well as most practitioners, agree that by and large the strong mayor-council form or the manager-council form of city government operates much more efficiently than does the weak mayor-council or the commission form, and that an integrated, co-ordinated organization with all state administrative agencies centralized in and responsible to the governor provides more efficient and economic government than will be the case if a decentralized administrative system is permitted to exist. What is true of a governmental unit will likely be true of the power that controls it — the machine. The political boss, by providing united authority and responsibility for the political party, makes possible co-ordination within the government itself. In other words, he makes workable a system based upon checks and balances and separation of powers apparently devised to pre-

³⁶ For rise of Frank Hague see McKean, *op. cit.*, pp. 27-45.

vent government. The boss provides the citizen with someone to whom he may go to do business in case the need arises.

The boss is not a legal creation, but a natural phenomenon. He is the creation of his environment. He will exist until the political duties imposed upon the citizenry are so simplified that the voter will be able to exercise his sovereign rights unaided, or until the citizenry becomes so well acquainted and so educated that the voter will be able to obtain directly from his official government the rights and privileges that are now furnished him by the boss. The boss bridges the gap in our society between the unseen government on the one hand and the inadequate citizen on the other. So long as this gap exists, there will be a boss.³⁷

The phenomenon of political boss is not necessarily municipal, nor is it distinctively American. The British Prime Minister, whose office did not receive actual statutory recognition until 1937, is as much a boss as any American counterpart. Sir Robert Walpole, who is generally regarded as the first prime minister in the modern sense, ruled England in the eighteenth century, before the United States became a nation, in much the same manner as Boss Platt ruled New York during the last decade of the nineteenth and the first of the twentieth centuries. It is also interesting to note that before the rise of the prime minister as a political boss, there had been a period of utter political confusion brought about by the decline of the power of the earlier "boss," the king. To see the political machine and the political boss at their worst, one need only turn to the totalitarian states of Continental Europe and Asia or to the demagogues of some Latin American countries. The political boss, however, is a universal phenomenon — we find him in every land and in every period.

³⁷ J. T. Salter, "The End of Vire," *Political Science Quarterly*, Vol. L, No. 2 (June, 1935), p. 235.

The Financial Aspects of Municipal Politics



THERE is much doubt as to whether or not the facts will substantiate the assertion that "while some men are in politics for love of power, most are in it for the love of full pockets." Nevertheless, there are those who have prospered financially because of their success politically, such as Timothy Sullivan of New York, William Vare of Philadelphia, or William Tweed of New York. On the other hand, many a political boss has died poor, and many a wealthy businessman has spent a fortune attempting to attain political office. In politics, as in business, we hear most about those who are successful.

Without doubt, one holding an important political position has opportunities for making money comparable to the magnates of private enterprise, but the political chieftain, as a rule, has not taken advantage of these opportunities. Frequently he receives no salary from the political organization which he serves and which makes great demands, both upon his time and his personal funds. The mayor of New York City is in charge of a \$175,000,000-a-year business from which he receives a salary of \$25,000. How many counterparts of this situation can be found in private industry today? What is true of New York is true of a number of other cities on a lesser scale. Yet there are many municipal officeholders who would not exchange their lot for one in private industry even though

the latter might provide twice the salary. Many participate in politics either for the love of power which political prestige partially satisfies or for the satisfaction it brings to their gambling spirits. The romance of the ballot box is just as intriguing to some as that of the turf, and pecuniary gain is by no means the sole motivating factor behind many of our politicians.

Graft. To say that the politician is not primarily interested in monetary returns is not to say that he has no consideration for his pocket. Just as the physician is interested in his fee, the labor leader in his salary, so the politician, too, must seek a livelihood. Any thoughtful investigator realizes that the elected city official, in most cases, would starve if he were to rely solely upon his official salary for his support; for example, less than 150 out of 400 American cities with a population over 25,000 paid their councilmen in 1944 more than \$1000 per year. A large number of cities with populations between 5000 and 25,000 provide no compensation whatsoever for either mayors or councilmen; it is true, however, that they hold only part-time positions.¹ City governments are not unique in this situation, for states and counties are inclined to be even more closefisted when it comes to paying their public servants.

To supplement their low salaries public officials sometimes resort to graft. This may take such forms as embezzlement of public funds, the so-called "honest graft," "police graft," tax-fixing, the sale of public offices, and numerous other types such as the appointment of machine-favored lawyers as guardians and receivers by the courts, the drawing of interest-due public funds not by the city but by the person in whose responsibility the funds are placed, so-called "strike bills" which are proposed for the sole purpose of making some business interests pay to have particular legislation killed, and many more.

Of all types of graft, direct embezzlement of public funds is probably the most infrequent and the one which entails the

¹ See *The Municipal Year Book*, 1946 (The International City Managers' Association, Chicago, 1946), pp. 51-87.

stiffest penalties if discovered. It is this form of graft which attracts the greatest public attention. Often has it been said that he who participates in it is both a thief and a fool.

Probably the most remunerative type of present-day political graft is the so-called "honest graft." "Honest graft" comes from having obtained what is known as inside knowledge regarding future city developments in real estate, street and pavement construction, building of transit lines, proposed bond issues, and the like. Sometimes it takes the form of the official appropriating interest earned by depositing public funds when the law does not provide that these earnings be added to the principal, or the public agency setting requirements for contracts submitted to supposedly competitive bidding in such a way that only the intended individual or firm with whom arrangements have been made beforehand can meet them. "Honest graft" sometimes falls little short of direct embezzlement, as when contracts are padded so that the contracting party pays the proper person a fat bonus or brokerage fee and still makes a good profit; or when land is purchased, only to be sold later to the city or another governmental unit at a tremendous profit. Numerous other examples could be given, but these seem sufficient for illustrative purposes. Sight should not be lost of the fact that because of advance information concerning some pending public improvement the politician may buy up the surrounding property, the value of which may be enhanced by the completion of the project. While such action may incite the wrath of some, it cannot be claimed that the public treasury has been raided.

Another present-day political graft is tax fixing — that is, the lowering of assessments on property for taxation, or the exemption of property altogether, either according to the letter of the law or by broadening the law through a liberal interpretation of it. It may be done by having the assessing or the reviewing agency assess the property for only a portion of its real worth, by maintaining that the assessment should be reduced for obsolescence, or that the property is used for a tax-exempt purpose or is owned by an institution which is

expressly exempt by the law. All this is usually done in return for a percentage of the expected savings.

Tax exemption is not an activity in which politicians alone indulge. There are many other groups who spend much energy and time attempting to obtain exemptions. As a result, the homestead exemption acts in many states now provide that a certain portion of real property of homes be free from taxation. In other states personal property is partially exempt, and in many instances religious, fraternal, and educational institutions not only obtain all their legal exemptions but many others besides. Not infrequently do they own valuable commercial property which never appears upon the tax rolls.

"Police graft" is still prevalent in some of our American cities. It is so designated because it is largely assessed and collected through the police. It may involve the assessment of houses of ill-fame, gambling establishments and agents, racketeers, the liquor interest and other unlawful activities. Frank R. Kent believes that "police graft" is largely just that and no more, that it involves "fixing" by the policeman on the beat rather than by the political "higher-ups" who have little to do with it. Others seem to feel that while there may be no direct connection between the more important political leaders and the vice grafter, they are not ignorant of its existence, and that there is little doubt but that the lesser politicians get their share of the returns.²

The Seabury Committee's final report in 1932 showed that Tammany and Republican politicians were far from being innocent of "police graft."³ And J. M. Leonard maintains that while the graft obtained from the vice interests of Detroit in the early part of our present decade went largely to the police, vigilant city administration could have prevented

² See George M. Reynolds, *Machine Politics in New Orleans* (New York, 1936), pp. 156-161.

³ See Peter H. Odegard and E. Allen Helms, *American Politics* (New York and London, 1938), pp. 470-472; Charles E. Merriam and Harold F. Gosnell, *The American Party System*, Third Edition (New York, 1940), pp. 241-242; Robert C. Brooks, *Political Parties and Electoral Problems*, Third Edition (New York and London, 1933), pp. 226-227.

it.⁴ In any event, "police graft" is far less rampant today than it used to be.

Sometimes graft takes the form of fees paid to various public officials for the performance of their duties. While this is not as common as it used to be, it still occurs. In some instances these fees are paid from the public treasury, as is sometimes true in the case of coroners; at other times it is paid by the public with the sanction of the law; and in still other instances by the public without, and even against, the sanction of law. In the past some public officials have made fortunes from these fees, as was true in the case of those who held the sheriffship of New York County, or more recently in Wayne County, Michigan, where the county's board of auditors was indicted for a long list of crimes involving the practices of fee-splitting and bribery from which its fees were all too frequently indistinguishable.⁵

The last type of graft which we shall mention here is bribery. Formerly one of the most widespread and remunerative of all types, today it appears to be less extensively practiced. It may take many forms, such as the payment of city councilmen for the passage of an ordinance which would benefit interested parties, or giving five dollars to an inspector for overlooking an obvious defect in building construction, or paying the local ward heeler a small sum for "squashing" a traffic ticket. As a matter of fact, while seemingly unimportant, this form of graft may become rather serious, for there are many who have no inhibitions about attempting to bribe an officer. It is to be remembered that for each official who may be "fixed," there is many a common citizen who would attempt to "fix" him. In spite of all this, it would seem that either politics is not as corrupt as was once the case or that present-day corruption exists in less obvious forms.

Patronage and Spoils. There seems to be almost universal agreement that patronage is the life blood of the political

⁴ J. M. Leonard, "High Jinks in Detroit," *National Municipal Review*, Vol. XXXI, No. 10 (November, 1942), pp. 547-548.

⁵ *Ibid.*, pp. 548-549.

machine. It is the job that tends to be the substructure of all political organization, whether city, county, state, or Federal. It is for this reason that every political organization and every public official aspires to control patronage. From the amalgamation of public employees there may be built a body of loyal workers who come to depend upon the appointing authority for their bread and butter. Perhaps one of the best ways to discover the identity of the real political boss of any community is to try to find the person to whom one must go in order to be placed upon the public pay roll without taking a civil service examination.

He who controls patronage has at his disposal a highly organized and well-disciplined army of voters and campaigners who may readily enter into any campaign in which it is necessary to wield influence. Within many a jurisdiction this army of public employees, together with their dependents, make up a substantial part of those who participate in the elections. For instance, in the relatively lean year of 1883 "Honest John" Kelly controlled 10,000 New York City and County positions with an annual pay roll of \$10,000,000.⁶ Fifty years later the Tammany machine had at its disposal 20,000 public employees who, being exempt from the merit system, obtained their positions from Wigwam bosses. In the consolidated city-county government of Baltimore Frank R. Kent found 13,000 employees. Although many of these were removed from the influence of the machine either because of the technical nature of their work or their civil service status, a large proportion, nevertheless, held their jobs as a result of the spoils of victory.⁷

Spoils jobs are not necessarily limited to the members and workers of the victorious party, although it is natural for them to receive the lion's share. In 1928, even though Chicago was then under the domination of the Republican machine of Mayor William H. Thompson, all but seven of the fifty

⁶ Harold Zink, *City Bosses in the United States: A Study of Twenty Municipal Bosses* (Durham, North Carolina, 1930), p. 125.

⁷ Frank R. Kent, *The Great Game of Politics* (New York, 1936), pp. 98-100.

Democratic ward leaders were on the public pay roll.⁸ This practice of reserving a portion of the various posts for the minority party is not uncommon.

While jobs are the most important items of patronage, public contracts are by no means unimportant. At times members of the machine hierarchy go into business in order to profit from these contracts; at other times they are given to minor officials of the party in return for political support, or to private business interests for financial contributions. Usually the most important business groups seeking municipal contracts are the construction interests, and not infrequently the owners of these interests enter into politics with this in mind. However, while construction contracts are the most common examples of spoils contracts, by no means do they comprise all the contracts at the machine's disposal. These may extend all the way from franchising a great public utility to granting the privilege to operate a small confectionery in the city hall or park.

The spoils system is neither new nor particularly American. It is universal and as old as government itself. As a matter of fact, it should not be viewed alone but should be considered in connection with the pressure groups which tend to control the community. These groups make much of the spoils system possible, and exert much energy in keeping it alive. Their influence may only be weakened, first, by awakening all voters to the fact that they should and must intelligently participate in all elections, and, secondly, by the establishment of a real merit system for the selection and retention of public personnel. While neither will eliminate all of our political ills, they will serve to curtail greatly the power of those agencies and factors tending to make for corrupt and inefficient government. The merit system denies to the machine one of its greatest sources of income, namely, the assessment of officeholders, and in addition deprives it of a great many henchmen. With no jobs to offer, ward heelers become more difficult to recruit.

⁸ Harold F. Gosnell, *Machine Politics: Chicago Model* (Chicago, Illinois, 1937), p. 40.

During recent years we have witnessed a decrease in the urban political machine's philanthropies. This has been due partly to the assumption of a greater relief role on the part of the Federal Government, as well as to the passage of both Federal and state social legislation which has greatly curtailed the number of persons who were formerly dependent upon the machine for subsistence. Civil Service laws have also greatly curtailed the machine's ability to hand out jobs; and the progress made in education of the voter, the decrease in the number of foreign-born, and the general economic conditions of the times have all aided in decreasing the number of people who rely upon the machine politician for a livelihood. When machines are not able to point to their philanthropies in the form of relief for the impoverished, they will be forced to turn to other means in order to convince the electorate that their candidates should be retained in office. America can go a long way toward the attainment of more responsible and efficient government by establishing higher living standards and better educational advantages for her people.

Sources of Campaign Funds. The cost of conducting a campaign for an American elective position is ordinarily appallingly high, and in cities this per capita expenditure is even greater than in the rural districts. Not only are millions of dollars spent yearly for such purposes throughout the nation, but in many cities hundreds of thousands and even millions are sometimes expended upon a single municipal election. Naturally, the paramount question is where this money comes from. The answer is usually from contributions from the candidates themselves, assessments on officeholders, and contributions from the public, frequently termed "contributions from friends of the party."

One of the oldest and, certainly, least objectionable sources is the contributions made by the candidates themselves. When government played the role of being merely a policeman, and when, for the most part, public offices were filled by election, the contributions from the candidates constituted the major source of campaign funds, but those days are long past. Al-

though the voters of many cities annually elect scores of public officials, the total contribution made by the candidates themselves usually amounts to only a small fraction of the total campaign fund. The amount that each candidate contributes varies from city to city, election to election, and office to office. In some instances the machine makes no set assessment on the candidates, and they are simply permitted to contribute what their pockets and their conscience dictate; but in most cities there are maintained regular schedules which are frequently based upon the salary received, the ability to pay, or a combination of the two. If a candidate is popular and a "vote-getter," if he is "drafted" to run, or if he is chosen because the nominating body is unable to agree upon anyone else, he may be relieved of a personal contribution to the campaign fund. On the other hand, rich men, often spoken of as "fat-cats," are sometimes placed upon the ticket on the condition that they make large campaign contributions. The party can use the money, the rich man wants the prestige of public office, and a healthy contribution is the means of satisfying both.

The principle of levying campaign assessments on candidates for public office is neither exclusively political nor peculiarly American. The practice existed long before there was even limited election of public officials. In the Middle Ages a man who was to be given a high church office paid a fee known as an *annat*, because it became the equivalent of one year's salary, to the church dignitary who appointed him. Later these annates were paid directly to the papacy, and in England, following the Reformation, to the king. Political parties have merely made use of old ecclesiastical practice. Furthermore, the Socialist party has been just as consistent in following this practice as have the Democratic and Republican parties.⁹

As the functions of government began to multiply and campaign costs grew, political machines began to turn to addi-

⁹ See James K. Pollock, "The Use of Money in Elections," Edward B. Logan, ed., *The American Political Scene*, Revised Edition (New York and London, 1938), pp. 177-178.

tional sources for obtaining the necessary funds to conduct campaigns. The first of these additional sources was the assessment of officeholders, from street cleaners and public janitors to the holders of important administrative and elective positions. This system of assessing public officeholders developed more or less simultaneously with the spoils system of which it is a natural by-product. Just as the merit system has checked the spoils system, it has curbed the practice of assessing public employees; consequently, this source of revenue is not nearly as significant as it was previously, although in many cities and rural communities it and the assessment of candidates still provide more than 50 per cent of the total expenditures used for campaign purposes. It is primarily a source of revenue for local machines, both urban and rural, although there are times when national and state committees receive funds from this source. Not only have the local machines assessed local employees, but state and Federal spoils officeholders as well. It was found that under the New Deal some of the spoils appointees in Federal offices at Washington contributed to some extent to the local machines which obtained their jobs for them.¹⁰

As in the case of contributions from candidates, assessment of officeholders varies from city to city, administration to administration, and position to position. It may also vary from campaign to campaign, depending upon the closeness and the importance of each contest. Louise Overacker believes that possibly the city in which this system reached its highest point was Philadelphia, where it yielded annually \$250,000 to \$500,000 between 1903 and 1913.¹¹ David H. Kurtzman found that the Vare machine in Philadelphia had a system of graduated assessment on the basis of the compensation received by the officeholders. This assessment ran from a contribution of three to five per cent to the city committee and from one to two per cent to the ward committee, and was paid by more than 90 per cent of all city employees.¹²

¹⁰ Pollock, *op. cit.*, p. 176.

¹¹ Louise Overacker, *Money in Elections* (New York, 1932), pp. 104-105.

¹² For the situation in Philadelphia under the Vare machine see David H. Kurtzman, *Methods of Controlling Votes in Philadelphia* (Philadelphia, 1935),

Because the cost of political campaigns had grown so tremendously by the latter part of the twentieth century, and since both civil service laws and corrupt-practices acts have tended to curtail the practice of raising funds through the assessment of public employees, a new source of party revenue had to be found. This new source is the contributions from the public. Today the national committees of both of our major parties get practically all of their funds from this source, and it may be said that most state and local committees depend upon contributions from the general public for at least 50 per cent of their campaign funds. In many local communities almost the entire fund comes from this source. Because, as a general rule, most of the money obtained in this manner comes from a comparatively small portion of the public, it has developed that in many instances the political institutions of the community may be used to further the interests of the contributing group at the expense of the whole.

This source of income is frequently spoken of as "contributions from friends of the party." These "friends" are ordinarily composed of the following groups within the community: the corporate or business interests, the vice interests, the labor groups, and the small contributors. The first of these in the total amount contributed is perhaps the most important and may be subdivided as follows: those who contribute with the hope of receiving public office, those who contribute purely for altruistic purposes, and those who contribute solely for business reasons.

Many other groups make contributions to local campaign chests, although the total amount received from them is probably not great. Among these groups may be listed some labor organizations, ethnical and religious organizations, fraternal orders, and the like. In addition to these there are the small contributors whose donations are scanty when compared with those of the corporate interests. It is upon the latter group that our major parties have relied so heavily for financial

support, and apparently they have no other alternative unless the great mass of voters can be encouraged to support their respective parties. Only the British Labour Party and socialist parties of all nations have been able to conduct campaigns without depending upon corporate generosity.¹³

In 1935 the Democratic Ward Club of the Twenty-seventh Chicago Ward obtained \$110,000 from advertisements in a campaign book. These ads were those of merchants who had businesses in the Twenty-seventh Ward and were induced to advertise.¹⁴ In addition to paid support, every political organization is the recipient of the efforts of party workers, the tireless activities of various racial, religious, intellectual, and business groups, as well as the organs of the friendly press.¹⁵

Campaign Expenses. Campaign expenses fall into two general categories, legitimate and illegitimate, with the line of demarcation between the two almost impossible to draw. Of the legitimate expenses the following are the most common: publicity, headquarters and general maintenance, field activities, and "election day" expenses.

In the national sphere publicity is perhaps the most important item, but in local politics its pre-eminence is frequently challenged by "election day" expenses. It includes advertising in the newspapers and on the radio, preparation and distribution of campaign literature, campaign buttons, hiring press agents and publicity directors, and providing various forms of entertainment. Professor Pollock estimates that the total expenditure for publicity averages between 25 per cent and 50 per cent of the total campaign expenditures for a given election.¹⁶

The necessity of providing funds for the maintenance of campaign headquarters needs little explanation. It involves paying the rent or taxes on these quarters, the cost of utilities,

¹³ See Overacker, *op. cit.*, pp. 144-145.

¹⁴ V. O. Key, Jr., *Political Parties and Pressure Groups* (New York, 1942), pp. 470-471.

¹⁵ For a more detailed discussion see Merriam and Gosnell, *op. cit.*, pp. 367-370.

¹⁶ Pollock, *op. cit.*, p. 189.

such as electricity, telegraph and telephone, payment of the office staff, and the cost of stationery and other office equipment. Also included in this category is the rental of halls and other meeting places for holding election rallies and the cost of entertainment furnished at these rallies.

Field activities might include street-corner campaigning or neighborhood pre-election canvasses, and an example of grants to subsidiary organizations would be the funds given to such groups as the Young Democrats or some ethnical party organization for the purpose of providing the means whereby their members and others are advised on party matters. Expenses for carrying on these field activities and for providing grants to various subsidiary organizations are, no doubt, considerable, but seldom are they nearly so great as the cost of publicity, campaign headquarters, or "election day" activities.

The last, but frequently the most important, type of so-called legitimate campaign expenditure is the cost of carrying on "election day" activities. These include payment of watchers and challengers at the polls, payment for transportation of voters to and from the polls on election day, distribution of sample ballots, and the like. Perhaps the most important item in all the election day expenses is the compensation of election day watchers and challengers at the polls. The usual compensation is five dollars per diem per watcher although in hotly contested campaigns the rate may go up to ten, fifteen, twenty dollars and even higher.¹⁷ Frank R. Kent estimates that the total election day expenses for a city the size of Baltimore runs between \$15,000 and \$50,000.¹⁸

There is no way of knowing the amount or the proportion of campaign funds which are spent in an illegitimate manner. It would appear, however, that funds thus spent are passed out in some form of bribery. And it is well to remember that neither the size nor the character of the campaign fund is a criterion for determining whether or not it is spent legitimately. Furthermore, money obtained from the most highly

¹⁷ Odegard and Helms, *op. cit.*, pp. 651-652.

¹⁸ Kent, *op. cit.*, p. 130.

esteemed source may be used for the most debased purposes, and vice versa. Then too, although an expenditure may be legitimate as far as the letter of the law is concerned, in reality it may be nothing more than camouflaged bribery.

Direct bribery, today at least, is more or less insignificant. There is always a small purchasable vote, but the number of persons willing to sell their votes is in most cases so inconsequential as to make the practice negligible. Even the most unscrupulous politicians shun the practice as not being worth the risk. Indirect bribery is far more common and may consist of offering promised contracts and appointments for support, buying editorial support, making donations to various religious, ethnic, and fraternal groups, or paying off foreign language newspapers for the purpose of keeping them from printing "smears" about the candidates. Professor Overacker cites as an example of indirect bribery the case of Monroe County, Michigan, where the Republican machine repaired every Roman Catholic church in the county prior to the 1896 election, and the case in St. Louis where \$100 was donated to a Negro Baptist church in 1920 in behalf of the candidacy of a presidential candidate.¹⁹

It is next to impossible to draw conclusions as to the total or the average campaign expenditures for American municipal elections, since so large a proportion of the total expenditures for campaign purposes never appears on official statements, and there is no reliable over-all computation of the total expenditures, even in the filed statements of the various individuals, groups, factions, and parties which have complied with the provisions of the various corrupt-practice laws. We know, however, that it is not infrequent in cities like New York, Chicago, Philadelphia, and St. Louis for the aggregate expenditures for certain local campaigns to run well over the \$1,000,000 mark.²⁰ By and large, the most important municipal office is that of the mayor, and usually the greatest ex-

¹⁹ Overacker, *op. cit.*, p. 45; for other examples see Odegard and Helms, *op. cit.*, pp. 649-650.

²⁰ Overacker, *op. cit.*, p. 55; Odegard and Helms, *op. cit.*, pp. 649-650.

penditures have been associated with this position. Frank R. Kent found that it usually costs about \$70,000 to elect a mayor of Baltimore and that this figure was fairly proportionate to the cost throughout the nation.²¹

American campaign expenditures are huge. This, however, is only one of the results of an excessive number of elective positions. The practice of having the people do a considerable part of the lawmaking in the form of referenda, initiative, and constitutional changes is all expensive in dollars and cents. America is unique among the great democracies of the world because so much is left to the voter which in other nations is taken care of by either the legislative bodies or the administrative agencies. Furthermore, some countries have lessened the cost of campaigning by providing the candidates with many free privileges in the form of "franking privileges," billboard space, and the like. All this substantially reduces the candidate's campaign expenses.

There is no doubt that a considerable portion of our campaign funds is wasted, and another portion sticks to the hands of organization politicians from the boss down to the humblest ward heeler; but, all in all, perhaps it is not a serious problem which is endangering American popular government.

Corrupt-Practices Legislation. In the beginning it should be stated that any discussion of legislation affecting corrupt practices must of necessity be confined to the acts of Congress and those of the various state legislatures, and that for the most part it is only the latter which are of concern to our cities.

American corrupt-practice legislation is largely based upon the British Act of 1883. After the New York Act of 1890, the Colorado and Michigan Acts of 1891, and Massachusetts Law of 1892, most of the states followed in quick succession.²² Today it may be said that every American state, including Illinois, Rhode Island, and Mississippi, which are frequently sighted as exceptions, have corrupt-practice legislation on

²¹ Kent, *op. cit.*, p. 115.

²² Earl R. Sikes, *State and Federal Corrupt-Practices Legislation* (Durham, North Carolina, 1928), pp. 122-132.

their statute books and that in each case they go beyond mere direct bribery, intimidation, and fraud. The enforcement of such legislation is quite another matter.

With the probable exception of intimidation and fraud, bribery is the oldest method of corrupting elections. Also, it probably has been the most widespread and, with intimidation, the first type of corrupt practice to receive statutory attention. Bribery of the voter may be defined as the offering of, giving or promising to give, valuable consideration to a voter either in payment for his voting in the manner that is desired by the briber or his forbearance from voting at all. Bribing became widespread after the anti-intimidation laws curtailed the frightening of voters and after registration and residence laws made the use of repeaters extremely difficult. Bribery laws are hard to enforce. This is due to the difficulty of deciding what constitutes bribery; also, there are usually only two parties involved, the briber and the bribee. As a general rule, all transactions are oral, thereby making testimony largely hearsay. All the states of the American Union prohibit the offering, promising, or giving of a bribe to a voter. Thirty-four have statutes rendering the asking and/or receiving of a bribe for voting or refraining from voting a criminal offense.²³

Although bribery laws, both by their language and definition, cover the various indirect forms of bribery, such as treating the voter, promising appointment to office, or other consideration, many states nevertheless have enacted additional legislation on these subjects.

It is a debatable question whether or not anti-bribery laws have been responsible for the fact that bribery of voters has been greatly reduced. A number of factors have no doubt contributed to this reduction, such as the adoption of the "Australian" ballot, the use of electric voting machines, the use of

²³ States which do not make requesting and receiving bribes a criminal offense by statutory law, although in a number of them it is a common law offense, are Arizona, Arkansas, California, Florida, Kansas, Maryland, Michigan, Minnesota, Nebraska, Nevada, New Hampshire, New Mexico, Pennsylvania, and Tennessee.

less dangerous and more profitable means of influencing the voters, the higher living standard of the American people, and the higher ethical standard of the voter. The latter has probably done more to eliminate this abuse than has any prohibitive law.

Intimidation of voters, likewise, has been illegal since ancient times. Every state in the Union has statutes which render the use of physical force, or the attempt or threat of such, to compel the voter to vote for or against, or refrain from voting for, any particular candidate or issue a criminal offense. However, in a great many states these acts have been extended to prohibit or curtail election-day arrests or the use of the militia for any purpose on election day. Even in colonial days no arrests were permitted on election day in Virginia, except for a felony or a breach of the peace.

More than half of our states have enacted legislation for the purpose of preventing private employers from intimidating their employees for the purpose of getting them to vote in accordance with the employer's wishes or not at all. Twenty states require that employees be allowed time off in order to vote and make it a crime for an employer to take any action which would curtail or prohibit that privilege.

Every American state has some law by which one or more persons may assist a voter who is physically unable to cast a ballot or operate a voting machine in order that the physically handicapped person may vote. A good many states also permit persons who cannot read or write English for reasons of illiteracy to obtain assistance. Because this privilege of assistance has so easily and frequently been abused, a majority of the states have laws which make it a crime to render assistance to anyone who is not legally entitled to it. California and Texas, perhaps, have gone the furthest in checking this evil, for they provide that only the English language may be used at a polling place and make it a crime to use another. Because of the great abuses that "assistance to the voter" may render, some authorities have advocated that it be completely prohibited.²⁴ In present-

²⁴ Salter, *Boss Rule* (New York and London, 1935), pp. 149-150, 262-263.

day America, with its great educational opportunities, there is no excuse for rendering "assistance" to illiterate voters, and it would seem that "assistance" should not be permissible unless the voter has certified proof that he is physically unable to vote.

Another potential corrupt campaign practice which state laws have tried to deal with is the hiring and compensating of election-day workers and the conveying of voters to and from the polls at the expense of the candidates or the factions supporting them. Some twenty of our states have some type of legislation checking the use or payment of watchers. Connecticut and Pennsylvania have laws setting maximum compensation rates for watchers and challengers, and eight states prohibit paying them altogether.²⁵ Massachusetts limits the use of conveyances to transport voters to and from the polls, and thirteen states prohibit the practice entirely.²⁶ The Texas law prohibits hiring conveyances for such purposes, but no penalty is attached; thus the courts have declared it practically inoperative.²⁷

Many of the poll-tax states have passed laws to prevent any candidate, faction, or party from getting additional support by paying the poll taxes of voters. It is to prevent them from doing so that such states as Arkansas, Tennessee, and Texas make it a crime for a person to pay another's poll tax.

In an attempt to remove what might prove to be an important pecuniary influence upon the choice of public officials, a number of states now either prohibit betting on elections or at least restrict the practice. Betting may be turned into a camouflaged form of bribery, for there is little to hinder a political agent from making hundreds of small bets with voters to the effect that a particular candidate or party will lose, thereby giving these voters who have entered into these

²⁵ These are Kansas, South Dakota, Tennessee, Texas, Utah, West Virginia, Wisconsin, and Wyoming.

²⁶ These are Arizona, Arkansas, Kansas, Montana, Nebraska, Nevada, New Hampshire, New Jersey, North Dakota, Tennessee, Texas, Washington, and Wyoming.

²⁷ See *Markowsky v. Newman* (Civ. App. 1940), 138 S. W. 2d, 896.

bets a pecuniary reason for voting in the manner which the agent may desire.

One of the most flagrant corruptions in American government has been the practice of soliciting or assessing public employees for political contributions. The Hatch Acts and the various amendments to them not only make it a criminal offense for non-policy-determining Federal employees to make financial contributions to candidates, political factions, or parties, but also prohibit state and local employees whose salaries are paid either in whole or in part from Federal funds from doing so. Furthermore, the original Pendleton Act of 1883 prohibited discharging any Federal employee in the classified service for political reasons which include the failure to pay political assessments. These Federal laws, no doubt, have deprived local and state political organizations of some revenue. Not only do practically all state and local governments which have adopted merit systems prevent those in the classified service from being discharged for failure to pay a political assessment, but many states go further. Starting with New York and Massachusetts in 1883, some eighteen states now definitely make it a crime to solicit, request, or assess public employees for political contributions. In addition, a few states have passed, mostly in the last ten years, legislation which definitely makes it a crime for non-policy-determining public employees to make contributions to a candidate, political faction, or political party. Sometimes Massachusetts is cited as an example of a state which makes it illegal for public employees to make such contributions. Section 11 of the Massachusetts Election Code reads in part as follows:

... No person holding any public office or employment, under the commonwealth or any county, city or town, shall directly or indirectly demand, solicit or receive, or be concerned in demanding, soliciting or receiving, payment, contribution, assessment, subscription or promise of money or other thing of value for the political campaign purposes of any candidate for public office or any political committee or for any political purpose whatsoever; but

this section shall not prevent such persons from being members of political organizations or committees.²⁸

An almost universal campaign abuse has been the solicitation of candidates and political parties for contributions by various religious, fraternal, and ethnical groups, and by charity organizations. Newspaper editors and owners, particularly those of rural counties and of the urban foreign-language press, have been guilty of this practice. Approximately eighteen states now expressly prohibit the solicitation of these contributions from candidates, while Alabama, Massachusetts, Missouri, and North Dakota prohibit or limit the assessment of candidates by political committees or parties, but do not prohibit solicitation of candidates by religious, ethnical, fraternal, or eleemosynary institutions. Since newspapers at times are paid to support editorially and give favorable news privilege to one candidate, political faction, or party as against another, and as certain types of publications have been just as guilty of demanding contributions as have religious and eleemosynary institutions, a great deal of corrupt-practice legislation has been passed to regulate the activities and the use of the press in campaigns. At the present time a number of states prohibit the purchase of newspaper editorial support, approximately twenty require that all paid political material in publications be plainly marked "political advertisement," and many require the names of the persons or organizations responsible for all printed political literature and advertisements to be plainly indicated.²⁹ Nevada and New Hampshire require that the cost of all political advertisements be plainly indicated upon the statement, and a few states prohibit the publication of material that tends to present an improper characterization of a

²⁸ See *General Laws of Massachusetts*, Tercentenary Edition (Boston, 1932), Chapter 55, Sec. 5, p. 641.

²⁹ While the Mississippi law requires that the candidate approve all printed literature published in his behalf, the law does not require that the literature or advertisement state who is responsible for it. Many states have extended their "paid political advertisement" and statement of those responsible to include radio broadcasting.

candidate or candidates.³⁰ These various attempts at regulating campaign publication and publicity are in the right direction. Other steps might well be taken, such as requiring all campaign literature to be in the English language and devoid of slander and religious and ethnical references. This would better enable the voter to make a choice of men and issues on election day.

The British Corrupt and Illegal Practices Prevention Act of 1883 requires that all campaign expenditures and all activities on or in behalf of the candidate be approved by the candidate's campaign manager. All money to be expended in the behalf of the candidate must be paid first to his manager before it can be expended. This makes for a complete concentration of responsibility of which there is no counterpart in this country. However, many states do make some attempt to concentrate campaign expenditures by requiring the appointment of campaign managers, treasurers, financial agents, and/or some similar officers to be responsible for the matters covered by law. The laws vary so greatly in extent of coverage and in the procedure prescribed that it is almost impossible to give specifications common to more than a few. Some of them require that any group of three or more persons who band together for a common political cause form a political committee, and as such elect a treasurer; but in other instances the law only extends to the parties and/or the candidates. The New York and Wisconsin laws probably go further than those of most other states and perhaps might be regarded somewhat as guideposts.

Some states absolutely prohibit all corporations from making contributions to any candidate, political committee, faction, or party, and a few ban certain corporations, mostly banks and public utilities. Massachusetts, Nebraska, and West Virginia limit personal contributions by setting a maximum which may be donated. In the case of Massachusetts and Nebraska, the amount is \$1000, while the West Virginia law

³⁰ Some of these are Florida, Michigan, Mississippi, Montana, North Carolina, Ohio, Oregon, and Rhode Island.

sets a maximum of \$5000 upon personal contributions.³¹ British law prohibits labor unions from making any political contributions out of union funds, although they are permitted to act as agents of political parties in the collection of voluntary contributions from union members. The Hatch Act represents the first attempt in this country to regulate union contributions in that it sets a limit of \$5000 on the contributions of unions to any one political committee.³² While these prohibitions upon corporate contributions may be by-passed in a number of ways, they have served to curb corporate contributions somewhat.

In order to deprive richer candidates from obtaining an advantage, and to prevent the expenditure of money for "corrupt" campaign purposes, most states have placed limitations upon campaign expenditures. At the present time, a number of states prohibit the expenditure of money for any campaign purpose not enumerated in the statutes as a legitimate expenditure. Delaware, South Carolina, and Wyoming do the reverse by enumerating only the illegitimate expenses. Some thirty states place a maximum limitation upon the amount of money a candidate may spend on his entire campaign, and a few limit what he may spend on his primary campaign. However, in New Hampshire and Idaho the laws limiting the total campaign expenditures do not include candidates for municipal offices. Eight states extend their statutes to place a maximum limitation on the campaign expenditures of all political committees. California used to have maximum limitations upon the expenses of both candidates and all types of political committees, but in 1943 repealed them, along with most of the other provisions of the California Corrupt-Practice Acts.

Most maximum expense limitations are so small they are ridiculous. Kent points out that on the basis of the 225,000 voters of Baltimore and the Maryland provision limiting total

³¹ *Annotated Supplement to the West Virginia Code of 1937* (Charlottesville, Virginia, 1941), Sec. 192 (3) (16), p. 18.

³² Political committees are usually defined as a combination of three or more persons who join forces to pursue a common political action.

expenses to ten dollars for each 1000 votes up to 50,000 and five dollars for each 1000 above 50,000, only about \$1375 can be spent legally on campaigns for Mayor of Baltimore, which is but a mere fraction of what such a campaign costs.³³ The Maryland law is perhaps typical rather than exceptional. The Utah and Virginia provisions are among the few which show some degree of realism.

In order to make certain that candidates, parties, and political committees have not violated the provisions of the corrupt-practice acts, and to make known to the opposition, and the general public as well, the sources and expenditures of campaign funds, practically all states require candidates or their campaign managers to file financial statements with an official state or county agency. While the Alabama, Idaho, New Hampshire, and North Carolina laws do not cover candidates for municipal offices, all others do. Nine states have extended their acts to require an officer of every political party organizational committee to file financial statements, and approximately twenty-two others have their statutes so worded as to cover all political committees. The time for filing these financial statements not only varies from state to state, but many states require candidates to file statements at certain times and political committees at other times. A few require both candidates and committees to file campaign financial statements.

The penalties for violation of state corrupt-practice acts vary from state to state, and the variation is so great that no general statements can be made concerning them without going into the acts of each of the forty-eight states. Some provide for prison terms, some for disfranchisement, others for forfeiture of office, inability to hold future public office, or monetary fines, and some mention no penalty at all. Very few of the states make any effort to ascertain the truthfulness of the filed financial statements, and in most cases the statements remain in some dark corner, never to be examined except possibly by a curious student investigator or a disappointed

³³ Kent, *op. cit.*, p. 124.

office seeker. Usually no action is taken for a violation of most of the provisions of corrupt-practice legislation unless by the defeated candidate. And should he take action, he is liable to get the worst of it by being branded a "bad loser." Furthermore, he gains little by taking the matter to court and having the opposition declared ineligible; for such action does not make him eligible. It may be that he, too, has violated the maximum expenditures limitation of the corrupt-practices acts, which will lead him to allow the matter to rest.

The most objectionable limitation of the corrupt-practices acts has been the maxima they have sought to set upon campaign expenditures. Because these maxima are illogical, they have been unenforceable and hence have served only to make a mockery out of the laws. Out of sheer necessity, both candidates and political committees are sometimes forced to falsify their campaign financial statements. However, it may be stated that most of the provisions to be found in corrupt-practice acts have at least checked some of the more obnoxious practices that have been employed hitherto. Various phases of the average state's corrupt-practice act might be expanded. For instance, campaign financial statements not only should be required of all concerned with politics and filed before and after both primaries and elections, but should also be audited for accuracy and publicized at least in condensed form in the local newspapers. As for the provisions against bribery, intimidation, limitations on corporate contributions, giving employees time to vote, marking political advertisements as such, and requiring the names of those responsible, few will deny that such legislation is desirable. However, one must remember that corrupt-practice acts, like all other laws, are of little value without widespread popular acceptance. Therefore, it is more important to educate the people against corrupt political practices than it is to pass legislation against them.

Some complain that corrupt-practice legislation is purely negative in scope. For example, one is not really helping the poor candidate by limiting the amount of money his rich opponent may spend. What the former needs is actual aid, not re-

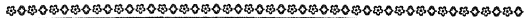
strictions upon the other fellow. The British and French laws have recognized this and have sought to extend such aid. They provide for a limited use of free postage for the campaign literature of all candidates, and the French provide for free billboard space in public places. Colorado is the only American state which has attempted to provide such state aid in the form of allocation of public funds to the state and county committees upon a per vote basis, but the courts ruled this action unconstitutional.³⁴ No free franking privileges are made use of by candidates or political committees in this country, except perhaps Congressional incumbents, some of whom have in the past misused their franking privileges.

A few states have provided for campaign publicity pamphlets which are sent to all voters. The broadest of these publicity pamphlet laws is that of Oregon. In the case of cities with 10,000 or more inhabitants, the Oregon law provides that municipal campaign publicity pamphlets may be sent by the city to all registered voters of the municipality prior to municipal elections. The charge to the candidate is twenty dollars per page, and the money is paid to the city clerk, auditor, or recorder.³⁵ This provides the voter with some means of learning the qualifications of the different candidates and becoming acquainted with the issues upon which he is asked to pass judgment.

³⁴ For the details of this Colorado action see Sikes, *op. cit.*, pp. 144-145.

³⁵ For details of the Oregon law providing for municipal campaign pamphlets, see *Oregon Compiled Laws Annotated 1940* (San Francisco, 1940), Sec. 81-2507, p. 744.

Pressure Groups and Public Opinion



CLOSELY connected with the formulation of public opinion are the so-called "pressure groups." In spite of the abuses of lobbies which mark the pages of democratic history, representative government in a society such as ours would be impossible without organized groups. They represent certain long-established values, social standards, and economic preferences which are not to be lightly regarded or destroyed. Every community must encounter them. In any event, pressure groups are important enough in municipal government for us to devote some space to their consideration.

For our purposes let us define a pressure group as a workable arrangement of individuals or groups, or a combination of both, banded together for the purpose of exerting influence upon the personnel and policy of the political institutions of the community. However, to set up any classification into which these groups might fall is most difficult; it would be erroneous, for instance, to regard all business interests as united in a common front for the purpose of exerting pressure upon government. Nothing is further from the truth. As a matter of fact, it would be difficult to point to a single instance in which all business groups favor a common program; and what is true of business groups is very likely to be the case in any other general classification of interests.

However, solely for convenience rather than arbitrary exactness, the interest groups are spoken of as falling into certain general but inexact and loose categories. The reader is cautioned to remember that the different interests within each category do not necessarily have a common program or act in unison. Furthermore, the order in which they are named does not indicate their relative importance.

High upon any roster attempting to list the various pressure groups appear the business interests. Were all these united to work toward a common goal, they could control every phase of American political life. Fortunately for American democracy, this is not the case. The various interests which may be classified as belonging to the business category disagree among themselves. Members of the same or similar business interests frequently campaign actively against one another.

In a municipality all business groups are usually banded together in the local chamber of commerce, which today has become a very influential agency in most local affairs as well as in national politics. Above the city chambers there are the district, state, and national organizations. In some instances a county chamber exists.

In addition to the local chamber of commerce, a city usually has a local branch of the Manufacturers Association, Retailers Association, a realty association, and a bankers association, plus numerous other general business groups and neighborhood business organizations. Frequently the different and often conflicting interests of those composing these associations and groups prevent them from bringing pressure for specific programs. As a matter of fact, their heterogeneity usually requires them to adopt only broad programs. The small groups within these broad business associations are most apt to apply pressure to get the political institutions of the community to adopt specific programs.

The taxpayers associations are closely allied with the business interests. In the past they have been concerned primarily with bringing about a reduction in taxes. For the most part, they are ardent advocates of governmental economy; they are

particularly so in the reduction or elimination of those functions which do not benefit their members. Those paying real-property taxes usually comprise most of the membership of these associations. But when it comes to deciding upon whom the tax burden should rest, there is still great disagreement. The small homeowner desires a homestead exemption, with business property carrying the brunt of the tax burden. Manufacturers tend to favor the adoption of municipal retail sales taxes like those existing in New York and New Orleans, but retailers and small homeowners are opposed. The wage earner may favor a municipal income tax, but the business and professional classes are likely to oppose it. No group is likely to favor taxing itself.

Since the professional groups tend to ally themselves with the chambers of commerce and taxpayers associations, it seems appropriate to mention them at this time. Unlike business interests, the professional groups usually do not have any broad organization, like a chamber of professions, to represent them. Usually the bar association and the medical association are the most powerful professional pressure groups. Other professional groups, like the chiropractors association, accountants associations, engineering and educational societies and so on, are important, but in the past they have not possessed the power over political institutions which the medical and legal professions have commanded. The lawyers have the advantage, due partly to the fact that their knowledge of the law makes it possible for them to be better acquainted with the governmental process. Also the number of lawyers in government is greater than the number of those from any other profession, trade, or occupation.

The medical profession, like the legal profession, has in some cases forced legislative bodies to grant what for practical purposes amounts to a monopoly within its field. Federal, state, and local agencies pass and enforce health regulations, such as premarital Wassermann tests, and health certificates for those in occupations which deal with food, and so forth. This has been financially remunerative to members of the

medical profession, but it has likewise been to the best interest of the communities affected.

Public employees, also, constitute a powerful pressure group which, unlike practically every other group, tends to favor every increase in the power and cost of government and to oppose all decrease in these functions or expenditures. As a group, they tend to benefit every time the government increases its operating appropriations or assumes some new function; on the other hand, they suffer when the situation is reversed. They form an important part of the community, for in normal times not only is approximately one out of every ten adults in the employ of the government, but as a group they tend to have the highest proportional voting participation of any single element in American urban society. Furthermore, in cities where the merit system is either nonexistent or fictitious, public employees usually comprise the political organization, and hence, to a certain extent, are the government.

Many observers who like to think of democracy as a system of counting heads tend to voice the opinion that labor is the greatest single element in our modern society and for this reason should control the government. As a matter of fact, the only part of labor which tends to exercise much pressure upon the government is organized labor — that is to say, those laborers who belong to labor unions. While the exact strength of organized labor is unknown, it is sometimes estimated that some 25 per cent of those Americans who are considered laborers by our economists are members of labor unions. Again, there is some disagreement between the principal labor organizations in this country, with the result that they all too frequently are engaged in fighting one another; thus it becomes difficult at times for them to exert pressure upon the government. Then, too, it would seem that labor unions often prefer to employ economic methods, such as the strike, rather than political action to obtain their ends. Some labor leaders actively oppose government intervention on behalf of the working man on the theory that benefits derived therefrom will go to the politicians rather than to them.

In times of financial stress, certain other economic groups exert powerful pressure upon the government with the hope of becoming the beneficiaries of public money. While space does not permit a full discussion of these, mention should be made of both the unemployed and the advocates of old-age pensions. The old-age pension groups have been concerned primarily with national and state politics, and since the passage of the Social Security Act and the upheaval in world conditions have lost some of their prominence. However, some old-age associations are to be found upon the municipal level, and frequently favor such things as free medical service for the aged, better conditions in city poorhouses and old-age homes, and the like. It is to be remembered that while neither the unemployed nor the aged are powerful pressure groups at the present time, a postwar depression may elevate their status in many communities, particularly in our war boom towns.

In some cities the vice interests form a powerful pressure group, and in a few cases they may actually control the municipal government. These consist of those who make their livelihood from prostitution, gambling, and racketeering, and who oppose the enactment of "morality laws" which close dime-a-dance establishments, saloons, and gambling dens, and prevent the sale of liquor and the operation of houses of ill fame. Where such laws do exist, the interests bring pressure, usually with bribes, upon administrative and judicial agencies in order to prevent or relax enforcement. It would appear that since the repeal of prohibition the influence of vice interests upon many local governments has tended to decrease.

Seldom are agricultural groups considered in the list of municipal pressure groups, but they should not be overlooked. Usually the political machine of the city is in control of the county, the congressional district, legislative districts, and in a few cases the state government. Therefore, an ear must be given to the demands of the agricultural groups. Also, in many of our smaller cities there are to be found many persons engaged in agriculture who seek special concessions from the city hall.

Seldom do the legal city limits coincide with the actual limits of the municipal area. In some places one may go miles beyond the city limits without leaving the urban development, and in other cases vast spaces within cities are given over to farm activities. The present tendency in many localities is to extend the city limits far beyond the actual urban development. All this combines to give farm groups a stake at the city hall. And if county-city consolidation becomes a reality to the extent that is proposed today, the farm groups will surely become one of our most powerful lobbies at the city hall.

The church and its clergy, too, have always been a very powerful pressure group. In the days when the disciples of Calvin ruled New England and the followers of Penn settled Philadelphia, the local church was the real town hall, and in Massachusetts and Connecticut the man who occupied the pulpit was in fact mayor of the town. Although those days have passed, the clergy, the churches, and the various religious associations still constitute a power that no American politician desires to challenge. The name of Archbishop Lucey, leading Catholic clergyman in Texas, is not one which pleases the machine politician of San Antonio, nor was the Reverend Parkhurst beloved by some Tammany bosses. One might well recall the statement once made by Theodore Roosevelt, "In politics, whenever a man asks your religion you may be sure that it is for no good purpose."¹

Frequently closely associated with religious pressure groups are the activities of ethnical groups. These may be divided into three general categories: nativistic, foreign, and Negro. In the first category might be listed such organizations as the Sons and the Daughters of the American Revolution, or the Daughters of the Confederacy. In the second category might fall the Mazzini Society, the German-American Cultural League, the Zionists, the Ancient Order of Hibernians, and the like. In the Negro group mention could be made of organizations like the National Association for the Advancement of the

¹ This statement is quoted in Charles E. Merriam, *Chicago* (New York, 1928), p. 151.

Colored People. The nativistic groups tend to stress patriotism and fight what they consider to be subservient and un-American activities. They attempt to keep check upon the schools and libraries in order to make certain that children are not exposed to teachings against our American tradition. The foreign groups and the colored organizations seek to obtain governmental protection against discrimination, thereby frequently becoming pawns of the corrupt machine politician.

Since the middle of the last century, various educational groups have become a very powerful agency in many American communities. These groups consist of educational alumni bodies, teachers associations, parent-teachers associations, and sometimes students themselves. Whenever the teachers, the parents, and the alumni get together on a common program, that program is likely to be given a favorable hearing.

One of the results of our widespread American educational system has been the rise of certain organizations which concern themselves with social problems, charity, morality, and other similar issues. In this category are local temperance groups who seek to destroy demon rum through local option elections; anti-juvenile-delinquency groups which seek to combat child crime through the establishment of municipal mental hygiene clinics and more playgrounds; charitable groups which seek to ameliorate human suffering; eugenic groups which seek to improve our race through the establishment of municipal birth control clinics and information bureaus, legalization of abortions, and sterilization of the mentally subnormal. These groups may wield a powerful weapon, for they claim to be acting in behalf of humanity, and when they have the support of the prevailing public opinion behind them, it is very difficult to bring about their defeat.

Veterans groups, such as the American Legion and the Veterans of Foreign Wars, are concerned with obtaining special concessions for veterans and their dependents from the government. While active upon the municipal level in attempting to have veterans preference provisions written into civil service regulations, they also demonstrate much interest

in the extension of their Americanism programs. Like the churches and the ethnical groups, they pay close attention to schools and libraries, and are quite active in getting veterans on party tickets and securing the support of the local machines.

Ever since, and even before, the adoption of "petticoat" voting, women's groups have been very active in the field of pressure politics. Most notable of these feminine organizations is the National League of Women Voters with its great network of state and local chapters. This organization is primarily interested in good government, better schools and broader public education, the elimination of inefficiency and waste within government, equitable tax systems, government assumption and support of the social problems of the community, and in many other programs which would make America a better place in which to live. In many of these activities the League of Women Voters works in close cooperation with groups interested in good government, such as the Citizens Union of New York City, city manager groups, and the various groups interested in social work in so many American cities.²

As a result of the widespread corruption in municipal government during the latter part of the last century, many organizations arose for the purpose of combating these evils. Among them were such groups as the Civil Service Reform League, the National Municipal League, nonpartisan leagues and citizen groups advocating good government. At first these organizations adopted a solely negative program characterized by the slogan "drive the rascals out," but now many of them have a definite, positive program for obtaining more economical and efficient government without curtailing any of the functions and activities of government.³

² Another active women's group in the field of pressure politics is the Federation of Business and Professional Women's Clubs. For a good discussion of its activities see Josephine Nelson, "Business Women in a Democracy," *National Municipal Review*, Vol. XXIX, No. 11 (New York, November, 1940), pp. 714-719.

³ An interesting evaluation of good government groups can be obtained from Howard M. Klein, "Citizens Groups in Review," *National Municipal Review*, Vol. XXX, No. 10 (October, 1940), and No. 11 (November, 1940), pp. 574-

Frequently associated with these good government leagues are various research organizations which provide the facts that many of the good government leagues and other pressure groups, as well as some city administrations themselves, use to justify their actions or assist in making decisions. These research bureaus sometimes are agencies of the city government, with the staff paid by the city. At other times they are supported by endowments of private institutions and interests, and in still other instances they are maintained by various citizen groups. Also, the cities themselves frequently send representatives to the various state legislatures in order that their interests be not overlooked.

There are many other interest groups, such as fraternal societies, animal, bird, and horticulture societies, consumers leagues, historical societies, and co-operative enterprises which exercise pressures upon the municipal government and the municipal machine.

The Individual and the Pressure Group. In practically every case pressure groups claim to represent individual voters, but because of the great heterogeneity of urban interests it is difficult to ascertain the validity of this claim. Let us take the case of John Brown who is a city employee and is represented by a public employee organization which campaigns for higher public salaries and against reducing the city budget. He is also a taxpayer and as such is represented by groups which campaign for governmental economy. As a member of the American Legion, he is expected to support veterans preference and the Legion's Americanism program, but as a member of a citizens group he may have to oppose veterans preference and the Legion's desire to purge the libraries and the schools of "un-American" literature. As a taxpayer he favors reduction in the real estate tax, but his membership in the automobile association causes him to side against shifting part

578, 612, 633-637. One of the best examples of these good government leagues is the Citizens Union of New York City, which was established in 1897 and by 1944 claimed a membership of 5500. The Citizens League of Cleveland, Ohio, also should be mentioned as one of the more powerful of these citizens organizations.

of the burden of taxation from the owners of real property to the owners of automobiles. If one adds to the list of John Brown's interests those of the other members of his family, the result will probably reveal that the city government can do little which does not have the support of at least one of the interest groups with which the Brown family has ties and the opposition of at least one other of the various interest groups which claim their allegiance.

There are various ways of determining to just what extent individual members of the different interest groups really support their organizations in pressure-group activities and how strong and determined this support is. Some groups, like the New Jersey State Chamber of Commerce,⁴ take a referendum of their membership whenever they take a stand upon a public question, and can use the result of the referendum to back their claims. At other times an interest group may enter the election by putting up its own candidates, as the labor unions have done in New York City, in Cincinnati, and in many other cities; but such tactics are just as apt to reveal weaknesses as strength and cause the machine to be hostile to any interest which so boldly challenges its supremacy. Another method of determining the individual's support is by proposition voting, in which case the city council may decide to leave controversial questions to the electorate so as to free itself from the wrath of the warring pressure groups. Public opinion polls, as we have seen, are also used to decide to just what extent a group's membership and the general public back its pressure program. However, the trouble here arises not only with the wording of the questions asked and the possibility that the poll is not truly representative of public opinion, but also with the probability that the poll does not show degrees of support. The politician fears the ardent opposition of a few much more than he welcomes the inarticulate support of the many.

⁴ For an example of a group referendum see the case of the New Jersey State Chamber of Commerce, whose activities are described by Dayton D. McKean, *Pressures on the Legislature of New Jersey* (New York, 1938), pp. 96-104, especially p. 99.

Pressure groups employ many tactics. They may, for instance, attempt to give the impression that they have the support of the electorate. In order to demonstrate this support, they have been known to flood the offices of public officials with petitions, telegrams, letters, and telephone calls from the voters. Sometimes they pack the galleries of the town or city hall when matters which affect them are under discussion, and at other times hold mass demonstrations and mass rallies, or picket the municipal buildings and the homes of hostile public officials.

It has been claimed that because of the activities of these pressure groups, the individual has lost his right to decide who shall be his governors and what policies they shall follow. If this be true, only the individual is to blame. Interest groups are not to be condemned for trying to influence the government. The ones to be condemned are the citizens and those interests which do not try to make certain that the government will act in accordance with the wishes and the interests of all the people, or the greater proportion of them.

The Control of Pressure Groups. A great deal of Federal and state legislation has been passed for the purpose of controlling pressure-group activities. Particularly is this true of lobbying. This legislation was first applied against the abolitionist movement of the early part of the nineteenth century, when Congress tried to ban the submission of petitions on the slavery question. However, because of the activities of such leading antislavery senators as John Quincy Adams, Martin Van Buren, and Daniel Webster, this legislation had little effect and after considerable rumpus was repealed. Toward the end of the nineteenth century and on into the present one, considerable legislation has been passed against lobbying. Many states require all pressure groups which attempt to influence the legislature to register with the secretary of state, or some other state official, and to file expense statements for their activities. However, it is very seldom that any effort is made to check the validity of the statements, with the result that they are usually stacked away in some dark corner of a state building,

never to be looked upon except possibly by some curious researcher. Furthermore, these laws cover pressure-group activities only with relation to the legislative branch of state government.

As for city, county, and other units of local government, there are practically no laws attempting to regulate pressure groups except those against bribery, intimidation, and physical violence, as well as the various provisions of the corrupt-practices acts which may be applied to the election activities of these groups. What little legislation exists is predominantly state legislation.

These state laws requiring registration of legislative lobbyists and filing of statements of their expenses were originally passed upon the theory that the growing army of pressure groups was destroying representative government. While so far these acts have failed to halt the growth of pressure groups, or even greatly to modify their activities, this legislation would have a potential worth if amended to cover all pressure-group activities, whether state or local, and to require that all expenditure statements of these groups be filed, audited, and published. However, the purpose of such legislation should be merely to prevent, or at least check, the more objectionable activities of pressure groups. Pressure groups in themselves are not an evil. It may be that it is not anti-pressure-group legislation that is needed to safeguard representative government, but rather more pressure groups with all the various divisions of society represented.⁵

It might be well at this time to refer the reader to Harwood L. Childs' observation that during the early days of the Weimar Constitution, Germany's pressure-group activities were not very different from the present-day American vintage, but that when Hitler came in, out went pressure politics in the American sense of the term. Instead of having pressure brought upon the government by the different interests which

⁵ Belle Zeller, *Pressure Politics in New York* (New York, 1937), deals primarily with pressures upon the state government of New York. However, as in the case of McKean, *op. cit.*, the fundamental principles, groups, and activities with which Professor Zeller deals may be applied to all levels of American government.

made up German society and industry, the government brought pressure upon these interests.⁶

PUBLIC OPINION

In a democratic society such as ours, the people rule partly by popular elections and partly through a phenomenon known as public opinion. As far as the political scientist is concerned, public opinion is the holding by any considerable portion of the people of an idea relative to the personnel, the functions, or the policies of the political institutions of the community. However, it is not necessarily one idea, but in most cases many, each held by only a segment of the people and each segment warring against the others in the hope that its particular idea will prevail. Strictly speaking, therefore, one would be more correct to speak of public opinions rather than public opinion. At the same time, it is not to be lost sight of that government in any community in most instances becomes government by the dominant group within that area. Public opinion, therefore, is not a legal force, but rather a political force which limits the exercise of legal powers in a practical way.

While we have attempted it, the term is not easily defined. James Bryce once spoke of public opinion as "any view, or set of views, when held by an apparent majority of citizens."⁷ Professor Childs, writing some twelve years after Bryce, held that "public opinion is any collection of individual opinions, regardless of the degree of agreement or uniformity," and added that "the degree of uniformity is a matter to be investigated, not something to be set up arbitrarily as a condition for the existence of public opinion."⁸

To obtain a true opinion is difficult. Especially is this the case of a public opinion, which of necessity is often clouded and vague, and frequently approaches a neutral tint. The opinion of a majority is not always public, nor is it necessarily the group which has the greatest numbers at its command that

⁶ See Harwood L. Childs, *An Introduction to Public Opinion* (New York and London, 1940), pp. 103-104.

⁷ James Bryce, *Modern Democracies*, 2 vols. (New York, 1927), Vol. I, p. 154.

⁸ Childs, *op. cit.*, p. 48.

triumphs in the end, but rather the group which has the greatest power and possesses the greatest intensification and cohesion of belief among its membership. Intensity as well as numbers must be taken into account. Again, as a general rule, the ideas of people who possess the greatest knowledge on a subject are of more weight than those of an equal number of ignorant persons.

Most of us are so concerned with so many things that we give little time to creative thought; consequently, only a very small portion of any community actually thinks for itself. As individuals, we tend to accept and support those ideas which agree with our own idiosyncrasies. These personal idiosyncrasies are formed as a result of our environment and the various forces which have made up our environment, such as home, church, school, race, ancestry, economic status, occupation, clubs, and the like. We as individuals are usually intolerant of ideas which do not agree with our predetermined concepts, and in some cases do not permit ourselves to listen to anything which greatly differs from them.

Most individuals desire to be a part of some group. Groups develop certain set ideas which are known as stereotypes. These stereotypes may change, but they do so very slowly unless some catastrophic event displays the invalidity of the prevailing opinion. Individuals who work within the limits of these stereotypes may become powerful agents in the molding of public opinion. Those who differ from them too markedly tend to arouse the enmity and hatred of the masses. Because of this, Christ was nailed to a cross, Galileo was blinded, and Spinoza was excommunicated. Although the ideas advanced by these men are popularly accepted today, they preached doctrines which deviated too greatly from the prevailing stereotypes to find acceptance during their time.

However, leadership is essential to the emergence of public opinion. Issues do not explain themselves. Someone must learn the facts and acquaint the public with them. The one who does this becomes a molder of public opinion. Every cause, if it is to succeed, must have its leader. The leader

typifies a cause and serves to make it concrete for the masses. Most of us neither readily grasp nor become enthusiastic about an abstraction. A personality makes the cause more real. Within every city there are those who support or resist a cause due to the personalities involved. Voters take up the slogan of a leader, and when he has firmly established himself in their confidence, there are many whose opinions will be his opinion.

How Public Opinion Is Formulated. One who studies public opinion may soon disabuse his mind of the notion that it is manufactured by the people. He may find that what frequently passes for public opinion is the creation of some interested individual, group, or groups who manufacture it in order to sell it to the masses just as any other article of commerce. Let us pursue further the process of formulating public opinion.

Probably one of the most important agencies for the formation of public opinion is the home. It is here that the individual first comes in contact with stereotypes which he may carry through life. The church, too, has been a great force in the formation of public opinion. Whenever questions arise concerning moral points, or some public proposal is put forth, the pulpit may be used to transmit either supporting or damaging evidence. But according to Charles W. Smith, the influence of both the home and the church is tending to decline while the influence of education and the school is steadily on the increase.⁹ Certainly in any nation the schools are extremely important factors in the molding of public opinion. Of this we see evidence each day.

Of all the agencies assisting in the formation of public opinion, the newspaper ranks high in importance. It molds opinion not only through editorials but also through its news reporting, its headlines, its advertisements, and the space it devotes to letters to the editor. It should never be lost sight of, however, that it is the reading public which exercises much control over the policies of any paper. Peter H. Odegard observed that few

⁹ Charles W. Smith, *Public Opinion in a Democracy* (New York, 1939), pp. 39-40.

persons will buy papers that advocate principles in diametric opposition to their personal fixations.¹⁰ Ernst Krist noted that the difference between the American democratic press and the press of a totalitarian state is that the latter seeks only to influence the public while the American press, although trying also to influence the public, must nevertheless meet the public upon its own terms.¹¹ Edward Bernays states that newspapers cannot print all the news and hence must choose what they print. To him that choice is a matter of opinion, but it is the opinion of the reading public rather than that of the editor.¹²

In addition to the newspapers, there are periodicals, circulars, and books issuing from many individual and group sources which quite frequently exercise a great influence upon the formation and crystallization of public opinion. The radio also has become an important vehicle for the presentation of ideas which undoubtedly affect the currents of public opinion. It provides a forum for the discussion of many topics which affect our social, political, and economic life. It provides a means of speaking directly to the voter, and to a certain extent has replaced the "swing around the circle" and the stump meetings of earlier days.

Within recent years the professional radio commentator has established himself with the American public. Every morning, noon, and evening, news broadcasts are regularly tuned in by thousands of listeners. By his selection of items, their interpretation, and the method of analysis, the radio commentator is able to mold and give expression to public opinion. In this connection a passing reference should be made to the newspaper columnist who, with his daily column appearing in hundreds of newspapers across the continent, is also a potent force in the crystallization of opinion. Oftentimes the colum-

¹⁰ Peter H. Odegard, *The American Public Mind* (New York, 1930), pp. 116-117.

¹¹ See Ernst Krist, "Mass Communications under Totalitarian Government," in Douglas Waples, ed., *Print, Radio and Film in a Democracy* (Chicago, 1942), p. 29.

¹² See Edward L. Bernays, *Crystallizing Public Opinion* (New York, 1923), pp. 77-79, 111-117.

nist combines the role of radio commentator with that of newspaper reporting.

In addition to the home, the church, the newspaper, and the radio, there is the screen, which has and is exerting a profound influence upon the thinking of our people with regard to the social, economic, and political conditions of American life. Even though the impressions given may be faulty, it is a fact that our films have characterized American life for many of those living in this and other lands. Our movies have been designed, by and large, to appeal to the American stereotypes, the romance of the past, the pleasures of the present, and the high hopes of the future. Yet there has been a growing emphasis upon the ugly and hard facts of life in this country; educational and documentary films have appeared in great numbers and are being presented with an increasing expertness. Countries such as Russia and Germany have experimented rather widely with the social and political possibilities of the movies, and during the years ahead no doubt most peoples will put them to new uses.¹³

There are individuals also who play a great part in the formulation of public opinion. These may be divided into two groups: first, the rabble-rousers who try to find out which way the masses are leaning and then attempt to lead them by expounding popular stereotypes; second, the leaders who originate their own programs and attempt to influence others to follow them, as was the case of such leaders as Lincoln, Madison, Jefferson, and the La Follettes.¹⁴ It is well to remember that men whom we now consider to have been great leaders were in their day considered by many to be rabble-rousers, and many whom we now regard as leaders may in the future be looked upon as rabble-rousers.

As has been noted in the previous pages, there are numerous associations and groups which seek to influence public opinion in one way or another. Some of these are: chambers of com-

¹³ See "The Coming Revolution in Films," *Public Opinion Quarterly*, Vol. 3, No. 3 (July, 1939), p. 502.

¹⁴ See Smith, *op. cit.*, Chapters X and XI.

merce, churches, taxpayers leagues, trade and labor associations, schools, voters leagues, community councils,¹⁵ city clubs, municipal leagues, municipal research bureaus, parties and politicians, discussion groups, and various pressure groups.

In most of our larger cities and in some of the smaller ones, citizen organizations have been brought into being and are now functioning. These groups bring men and women together, perfect an organization, decide upon strategy, and marshal their efforts toward some particular end. Their main objective seems to be to create a widespread public opinion which will result in greater efficiency, economy, and responsibility in local government. The achievements in this regard in such cities as Cincinnati and Milwaukee deserve mention. In each case old services were improved and new ones added, public-works programs expanded, and national records established in the fields of fire loss, public health, and traffic control. It is true that able leaders have contributed to these records; however, a very important factor has been a widespread interest on the part of the citizens and an alert public opinion.¹⁶

From what has been said, it is apparent that there is a very intimate relationship between public opinion and propaganda. As a matter of fact, propaganda is probably the most influential of all the factors which mold public opinion today. It may be good or bad; it may be totalitarian or democratic. The difference between propaganda in a dictator state and a democratic state is that everyone propagandizes in the latter, while in the former only the government is permitted to do so. Because of this fact, the public opinion of a democracy is the development of conflicting propaganda, with all having a chance to do their bit.

¹⁵ S. Howard Evans, "Citizen Action Through Community Councils," *Public Management*, Vol. XXIII, No. 2 (February, 1941), pp. 43-45.

¹⁶ See D. W. Hoan, *City Government — The Milwaukee Experiment* (Harcourt, Brace and Company, New York, 1936); Murray Seasongood, *Local Government in the United States* (Harvard University Press, Cambridge, 1933); Charles P. Taft, *City Management: The Cincinnati Experiment* (Farrar and Rinehart, Inc., New York, 1933).

Most adults have had ample opportunity to observe the process of formulating public opinion with regard to some issue or individual in the club, the community, the state, or the nation. Some, no doubt, have noted rather carefully the methods used, the groups involved, and the results. The issue of prohibition, for instance, and particularly in its local-option phase, has long been one which has provided a good opportunity for all people, individually and in groups, to engage in the crystallization of public opinion. He who would gain insight into the various phases of public opinion might well profit from a study of a hotly contested local-option election. He would find, no doubt, an amazing mixture of fact, name calling, generalities, prejudice, sincerity, testimonials, and counter-testimonials.¹⁷

Measuring Public Opinion. One of the major problems in connection with public opinion is not its presence, but rather devising some means of measuring it. In measuring conflicting opinions it is not only numbers that count, but also the degree of intensification with which each individual holds to his belief and desires to express it and see it operate. Therefore, methods of measuring public opinion must be viewed not only as to their ability to count heads, but also as to their ability to determine the intensification of belief of each of the rival factions and to what extent the holders of these beliefs will go to see that their wish is enforced. In other words, it is not as important to discover that most of the people of a given city think that its government is corrupt as it is to determine to what extent those who think so will go to rid themselves of these corrupting influences. Also important is the degree of unity of action among those who hold a particular belief. This too must be measured, for according to Edward L. Bernays, domination is the result of the fact that those in control possess a high degree of unity while those of the opposition forces possess an equally high degree of disunity.¹⁸

¹⁷ For a study of local-option elections in Massachusetts, Arkansas, and Michigan see Carroll H. Woddy and Samuel A. Stouffer, "Local Option and Public Opinion," *American Journal of Sociology*, Vol. 36 (September, 1930), pp. 175-205.

¹⁸ See Bernays, *op. cit.*, p. 133.

The size of the circulation of the various newspapers supporting conflicting public opinions may sometimes be used to gauge the size and intensification of opposing groups, assuming, of course, that there exists in the community more than one paper and that the papers have taken opposing sides. Professor Gosnell observed that the only pro-Roosevelt paper in Chicago in 1936 was the *Chicago Daily Times* and that its circulation at the time of the campaign increased by leaps and bounds.¹⁹ He also observed that the home circulation of both the *Chicago Tribune* and the *Chicago News* during national campaigns varies in proportion to the size of the Republican sympathy within the city.²⁰ Again, every newspaper receives letters from the public supporting or criticizing its stand on major issues. They find it profitable to print many of these letters, for this tends to create a feeling that the paper really tries to cater to the wishes of its reading public. A paper receiving many letters supporting its stand can claim to be speaking for the public, while one which has received more letters against than for its stand cannot honestly make such a boast.

Another scale for measuring the weight and importance of conflicting public opinions has been the long-established practice of petitioning the government. This is done either by individuals or groups in the form of letters to some official or agency, or by the presentation of petitions signed by a considerable proportion of the voters. Originally these letters and petitions merely served to influence public agencies and officials to direct public policy in the direction desired by the prevailing public opinion, but today, through such devices as initiative, referendum, and recall, these petitions themselves may make positive changes in public policy in those communities which provide for their use. One serious question that is often raised in regard to these letters and petitions is whether or not they are individual and spontaneous and the signatures

¹⁹ Harold F. Gosnell, *Machine Politics: Chicago Model* (Chicago, 1937), pp. 168-169.

²⁰ *Ibid.*, p. 174.

those of individuals who really support the stand set forth in the petition which they have signed. It is no secret that in some instances they are prepared by pressure groups and that those who sign are not always aware of what they are signing.

Picketing the city hall, city office buildings, and the homes of city officials may be used by an interest group attempting to get public adoption of its program. Other types of physical demonstration, such as rioting, mass rallies, dramatic marches and the like, are also frequently indicative of the extent to which a pressure group will go; and when a large percentage of the citizenry takes part in these various activities, which may properly be termed mob action, such demonstrations may definitely indicate the pulse of public opinion. Sometimes these demonstrations involve a great portion of the citizenry, as in the case of lynching, or the race riots in Detroit, New York, and Beaumont, Texas, in 1943.

At present much weight is being attached to the public-opinion poll as a scale for measuring public opinion. Three methods have been employed. The first was that of taking at random a sample without checking first to see how representative the sample was. This method was used by many metropolitan newspapers before the beginning of the present century. It was this type of poll that the *Literary Digest* took until the 1936 presidential election, when the difference in the results obtained by the poll and by the candidates was so great as to cause the *Literary Digest* poll to be discontinued. The second method is to take a percentage of the electorate which, unlike such polls as the tel-auto poll of the *Digest*, is done by polling a portion of the electorate as indicated on the official election books. The practice is to take every tenth, hundredth, or what-you-will name on the election books and hand that party a poll ballot. This system has been used for several years by the *New York Daily News* and other leading newspapers on both a local and a state basis. A correlation of the results of the poll for several recent presidential, gubernatorial, and mayoral elections with the final election results has shown a remarkable degree of accuracy, and there seems to be some

justification for the belief that it was equally accurate when it polled the New York electorate on the war question in the summer of 1941. The third type of poll is the so-called scientific poll as now employed by George Gallup of the American Institute of Public Opinion, Elmo Roper of *Fortune* magazine, and one or two others on the national level, and by the Civic Research Institute of Kansas City on the municipal level.²¹ This type of poll is based on a small sample of the community, with attention being given to the religious, ethnic, social, and economic groups in proportion to strength. Usually only registered voters are polled. On the whole it would appear that they have been rather successful in predicting the outcome of both local and national elections.

In the early part of our history the New England town meeting was one of the best gauges of public opinion. However, modern conditions have made the New England town meeting far less a democratic institution than was once the case. According to Kendall Banning, it has been found that less than 8 to 10 per cent of the property holders of the average New England town attend these meetings, and that frequently they are controlled by cliques and hence have ceased to be a reliable index of public opinion.²²

Probably the most accurate index for both the extent and degree of intensification of a public opinion is the election, even though a shamefully small percentage of the eligible American electorate takes the trouble to vote. When elections take place, as they do both frequently and regularly in every American city, the voter is given the privilege of indicating his opinion on various public questions. In supporting a given candidate and opposing another, and by voting for or against the city charter or an amendment to it, he is placed in a position to express a preference. Admitting the failure of political parties or groups to take definite stands upon given issues, and granting that the counting of votes in any election sel-

²¹ In 1945 Seattle, Washington, set up a small-scale "Gallup Poll" which is operated by the Psychology Department of the University of Washington.

²² See Kendall Banning, "Is the Town Meeting Democratic?" in *National Municipal Review*, Vol. XXIV, No. 3 (March, 1935), pp. 152-155.

dom, if ever, brings to light the true opinion of the voter, no better method of gauging public opinion has been devised.

It must be admitted that the improvement of public opinion as a more potent force in government is something greatly to be desired. This may be done, first, by developing better sources of information regarding public affairs, and, second, by procuring better means for expressing public opinion. Our existing political institutions can assist in both. Today, perhaps to a greater degree than ever before in our history, there is a need for political parties to undertake new activities and to adopt a new conception of their function in a democracy.

The Electoral Process



IN THE last analysis, government is responsible to the governed; and those who would control the political institutions of the community may do so only as long as the prevailing public opinion is with them, or at least not against them. It is true that to some extent newspaper editors and writers, news analysts, public opinion polls, mass rallies, and the like all serve to measure the relative importance of conflicting public opinions, but in the end the electoral process, if honestly and democratically conducted, is the most authentic means of determining the prevailing public opinion and of making it possible to synchronize the governmental activity of the community with the desires and the wishes of the more numerous segment of its population.

Our primary concern in this chapter is with the legal methods by which the citizens of an urban community may decide by whom they are to be governed. Our discussion for the most part will be limited to the electoral process in its relationship to municipal problems. However, it cannot be restricted solely to the municipal field, for other units of government, such as the state, county, and school district, must be kept constantly in mind. It is the state, moreover, which provides most of the rules and regulations for the conduct of elections.

The electoral process is mainly concerned with the selection of elected personnel for the governmental institutions of the community; and before this process can get under way, some method must be provided for nominating personnel.

NOMINATION

Early in our nation's history most local officials were nominated by one of two methods: first, self-announcement, whereby the candidate simply announced his intention to seek office; and second, the parlor caucus system. In the latter case the candidate was nominated by a group whose membership was frequently composed of the social and economic elite of the community. In the larger communities, such as Boston, for instance, this parlor caucus became almost tantamount to election. The caucus system became so widespread that practically every textbook dealing with the electoral process makes reference to the Boston caucus of 1763 when the prominent men of the town met in Tom Dawes's garret to name candidates for the local offices. Apparently this particular caucus owes its fame not so much to what it did, as to the publicity it received in John Adams's diary.

Naturally, as our cities grew and suffrage was broadened, both the system of self-announcement and the parlor caucus became the subjects of considerable criticism. About the second and third decades of the nineteenth century both gave way to the convention system. In smaller towns members of a political party would meet to nominate their candidates. In the larger ones party members of the precincts and wards met to select delegates to a city convention, which in turn would nominate city-wide candidates.

While, without a doubt, the convention system was a step in the direction of greater democracy, it nevertheless had many defects. By one trick or another the voters present at the convention consisted largely of the hand-picked friends of the precinct and ward leaders. This was done in several ways, such as turning the clock ahead an hour, giving the time and place for holding the convention slight publicity, or selecting a hall which would not accommodate the crowd. Consequently, the convention often fell under the control of the party leaders. Also, there was no guarantee that delegates to the city convention would not be influenced to vote according

to the city boss's wishes, rather than those of the party members of the precincts and wards which sent them.

To counteract the evils of the convention system and make the nominating process more responsive to the wishes of the entire party membership the direct primary system was proposed. The first to initiate its use was the Democratic Party of Crawford County, Pennsylvania, in 1842. In 1844 the Democratic Party of Greene County, Pennsylvania, also adopted the direct primary, and it later spread to other Pennsylvania counties and gradually became prevalent throughout the South and the West. No state direct primary law was enacted, however, until 1903, when the legislature of Wisconsin, under the leadership of Governor Robert La Follette, passed the first law making the use of the direct primary mandatory in specified cases.¹ By 1917 the only states not having some form of direct primary legislation upon their statute books were Connecticut, New Mexico, Rhode Island, and Utah.² At the present time only Connecticut and Rhode Island have failed to provide some form of direct primary procedure.³ With the exception of Arkansas, Georgia, South Carolina, and Texas, the expense of the actual conduct of the primary is borne by the state.⁴ All direct primary states except Delaware and South Carolina subject the direct primary to some form of state regulation, although in a number of southern states political parties have been permitted to set up their own rules and qualifications in addition to those provided for in the statutes.⁵

A majority of the states require parties meeting certain conditions to hold primaries, but this is not required for all offices. Minority parties, if they have a smaller vote than that set forth as the state's minimum for the holding of a direct

¹ See James H. Booser, "Origin of the Direct Primary," in *National Municipal Review*, Vol. XXIV, No. 4 (New York, April, 1935), pp. 222-223.

² See Louise Overacker, "Nominations," in Edward B. Logan, ed., *The American Political Scene*, Revised Edition (New York and London, 1938), p. 246.

³ See chart in *The Book of the States, 1945-1946* (Chicago, 1945), p. 90.

⁴ See Edward M. Sait, *American Parties and Elections*, Third Edition (New York and London, 1942), p. 487.

⁵ *Ibid.*, p. 500.

primary, either are exempt from holding a primary or are prohibited from doing so. In some cases the state provides that every party which received more than a minimum number of votes at the last gubernatorial election must hold direct primaries for every post which the statutes require to be filled and that the nomination be made through the direct primary process. Most states, however, set a minimum percentage of the total votes cast at the last gubernatorial election. For instance, the Texas law provides that every party which received 200,000 votes at the last gubernatorial election must hold a direct primary for the nomination of state and county officers and for members of Congress, and that other parties may hold either a nominating convention or a primary. The New York law sets the minimum requirement for holding a direct primary at 25,000 votes in the last gubernatorial election and permits other parties to have their slates placed on the ballot through petition. In those states which require a percentage basis as a prerequisite for the mandatory holding of a direct primary, it varies from 1 per cent in Wisconsin to 25 per cent in Florida, although in most it approximates 10 per cent.⁶

Broadly speaking, there are two types of direct primaries, the partisan and the nonpartisan. The partisan primary is the older and more widespread of the two. A primary may be called partisan if the candidate chosen as the nominee for each office becomes the party's nominee for the office rather than just a nominee. Furthermore, in a partisan primary only the top candidate in each contest in the primary tabulation may become the party's candidate for the office. In order that an individual's name appear on the primary ballot, his petition for such must be signed by members of the party, and only party members are supposed to participate in the partisan primary. A governmental unit may or may not exercise control over partisan primaries.

A nonpartisan primary may be said to exist if a governmental unit assumes all control of the primary process and if

⁶ For percentage figures see Charles W. McKenzie, *Party Government in the United States* (New York, 1938), p. 306.

the entire electorate is eligible to participate, with the chosen candidates becoming nominees for the election to follow without party designation. While in the partisan primary only one person is designated as the party's nominee for each office, in the nonpartisan primary several candidates, usually the top two, become candidates for office in each case where there is a contest. Because the nonpartisan primary merely serves to eliminate from the race those candidates who are least likely to be elected, it has been said that in effect it is merely a preliminary election. However, there are cities, as Chicago and Los Angeles, which declare any candidate automatically elected who wins a clear majority in the nonpartisan primary.⁷ In the case of the nonpartisan primary the only candidates who may have places on the final ballot for the election are those who have won a nomination.

The purpose of the nonpartisan primary is to eliminate partisanship. The fact that the Chicago city council, which is both nominated and elected by the nonpartisan process, has in the past so frequently been under machine control would seem to demonstrate that the nonpartisan primary does not always accomplish in fact what it is supposed to do in theory. However, as a rule, it would appear that nominations in large cities should be made at nonpartisan primaries.

Partisan primaries fall into two groups: the open and the closed. The closed primary is used to nominate the overwhelming majority of our state and county officials,⁸ but this is not the case with cities.⁹ In the closed primary the voter, theoretically at least, must be a member of the party in whose primary he votes and must meet all qualifications for party membership. Since each party has a separate ballot containing only the names of the candidates who are seeking positions on its slate, the voter may vote only to nominate the candidates of one party. Inasmuch as the closed primary system requires

⁷ See Austin F. Macdonald, *American City Government and Administration*, Fourth Edition (New York, 1946), p. 257.

⁸ See Louise Overacker, *op. cit.*, p. 272.

⁹ For the exceptions to this statement see *The Book of the States*, p. 90.

the voter to designate publicly his party affiliation, it violates, at least to a degree, the theory of the secret ballot.

Under the open primary system the voter may not legally vote to nominate a Republican for one office, a Democrat for another office, and a Socialist for a third. Rather, he must confine his voting to one party, although he receives ballots of all parties. While the open primary makes possible the voter's participation in the primary process without making his party allegiance a matter of public record, and while it is possible for him to choose between parties, it is also possible for the members of one party to raid others and thereby prevent them from nominating candidates representing the principles of the raided party. For instance, if the Democrats are agreed upon a single candidate, while the Republicans are split, a number of Democrats might find it to their party's advantage to become Republicans on primary day. By so doing they can use their strength to defeat the strongest candidate for the Republican nomination or to secure the nomination of one who will work for their interests. It is for this reason that it has been contended that the open primary is in reality a nonpartisan primary in disguise, and that as such it ceases to be a method of nomination and becomes in fact a preliminary election. Most American cities have abandoned it.

Both the nonpartisan and the open primary were resorted to as possible means of correcting alleged evils of the closed partisan primary. Partisanship was considered an evil and as such something to be eliminated. Whether or not this be true, we shall not discuss it here; but it seems that the use of neither the nonpartisan nor the open primary has eliminated partisanship. California, Indiana, Georgia, and Ohio have open primaries, and all have powerful partisan machines on both the municipal and state levels. Tennessee nominates her governor and legislators in a nonpartisan primary, but it is no secret that almost all of them are Democrats. Both Chicago and Jersey City nominate their councilmen in nonpartisan primaries, but no one would claim the absence of party control in either case.

One of the chief criticisms of the direct primary is that its use has increased the cost of the electoral process. Professor Overacker points out, however, that while it costs an average of about seventy-five cents to one dollar per voter to hold a direct primary, the cost of nominating by convention is no more economical.¹⁰ Surely in the preprimary days, the per-vote expenditure of William Tweed during his campaign for the sheriffship of New York County was much greater than campaign expenditures of most present-day candidates who are nominated through the direct primary system.

Another criticism often directed against the direct primary is that it has not greatly changed the type of candidate seeking office. It is claimed that the machine still dictates nominations. But the fact that the direct primary has not always prevented machine domination of nominations is hardly sufficient grounds for condemning the system. It is, however, a criticism of the American people since, except in the South, only a fraction of those who vote in the general election take the trouble to vote in the direct primary. This would appear a tragedy, for it is here that the voter is given the privilege of choosing the candidates. The small percentage of popular participation in direct primaries not only makes it possible for machines to control the direct primaries of their own parties, but sometimes those of the opposition as well. It is claimed by some that the Democratic chairman of Philadelphia was for a time a stooge of Republican boss Vare; and there are those who assert that the Republican organizations of Chicago and also of Hudson County, New Jersey, were wings of the Democratic machines, due to the fact that the small direct primary participation made it possible for Kelly of Chicago and Hague of Jersey City to control the Republican direct primaries held within their respective bailiwicks.

Nevertheless, it is to be remembered that the direct primary system provides a means for popular control over the organizational hierarchy of the party whenever the members care to exert that control.

¹⁰ See Overacker, *op. cit.*, p. 258.

In the South the Democratic direct primary has long been the actual election. In the case of *Lonnie Smith v. Allright and Luizza*, a Supreme Court decision of April 3, 1944, it was stated that when the primaries became a part of the machinery for choosing officials, state and national, the same tests to determine the character of discrimination or abridgment should be applied to the primary as are applied to the general election. Prior to this it was possible to limit participation in the Democratic direct primary to those of the white race and still subject it to state regulation. This decision may cause many Southern states either to return completely to the old convention system or to remove all state control over the direct primaries so as to prevent the Negro from participating in the selection of Democratic nominees.

The soundest argument for the direct primary is that it provides the most effective means that has yet been devised to make possible popular control of the nominating process. Where it has fallen into bad hands or been misused, it is no fault of the system, but rather a condemnation of the citizen whose interest in government is not great enough to make him an actual participant in community activities.

Some cities, in order to avoid the alleged additional expense of holding primaries and to remove partisanship from municipal elections, require candidates for municipal offices to be nominated by petition. Both Boston and Dallas use this method. For instance, in Boston the law requires that a candidate for mayor be nominated by a petition signed by 3000 persons, and he who aspires to the office of councilman is required to get 300 signatures.¹¹ The Dallas city charter requires all candidates for the city council to be nominated by a petition signed by 300 of the city's qualified voters.¹² New York requires all candidates for the city council to be nominated by a petition signed by 2000 qualified voters. This movement for nomination by petition rather than by the primary process is

¹¹ See Harold Zink, *Government of Cities in the United States* (New York, 1939), p. 157.

¹² See *Charter of the City of Dallas* (Dallas, Texas, 1931), Chapter IV, Section 19, p. 18.

the most recent move to insure greater popular and less machine control over the nominating process. Whether this end is attained is still certainly a highly debatable question. In our smaller cities, nomination either by petition or by mere filing would appear to be a common-sense method. In some instances, however, nomination by the payment of a fee is used in lieu of petition.

THE GENERAL ELECTION

The importance of the general election as the decisive phase of the electoral process depends largely upon the section of the country in which it is held and the type of nominating process preceding it. In those southern cities in which officers are nominated by means of a partisan direct primary, the election itself in most instances becomes a mere technicality, for the actual choice is made either in the preliminary direct primary or, when required because no candidate has a majority, in the runoff primary between the two highest contestants.¹³ In those cities which use the nonpartisan primary the actual election is merely a runoff affair between the highest contestants; and sometimes, as in the case of the Chicago councilmanic method of election, the actual election need not be resorted to if a candidate in the nonpartisan primary receives 50 per cent or more of the primary vote cast for the office concerned. However, in those cities where more than two parties hold partisan primaries or where candidates are nominated either by petition or convention, the general election becomes that phase of the electoral process with which the greatest amount of popular interest and participation may be associated.

Most elections held in the United States are partisan elections — that is to say, on the ballot used in the general election the party affiliation of each candidate is indicated. Many cities, however, hold what is known as nonpartisan

¹³ States providing for runoff primaries either by state, county, or party authority are Alabama, Arkansas, Florida, Georgia, Louisiana, Massachusetts, Mississippi, North Carolina, South Carolina, Tennessee, Texas, Utah, and Washington. From *The Book of the States*, p. 90.

elections for some or all municipal elected offices. Whenever the nonpartisan election is used, no designation of political party may appear on the ballot, although party affiliation is frequently known. In 1945 over 60 per cent of all cities of 5000 or more had nonpartisan elections for at least city councilmen.¹⁴ Some of these elect other officers by partisan elections.

Some of the reasons frequently given for holding nonpartisan elections are: to weaken the political machines, to separate municipal politics from county, state, and national politics, and to eliminate partisanism upon the municipal level. In many cases these objectives have not been achieved. Certainly such claims could scarcely be made for cities like Chicago, Jersey City, Cleveland, Memphis, San Francisco, and San Antonio, all of which are supposedly making use of nonpartisan elections. Nevertheless, nonpartisan elections are not uncommon.¹⁵

Time and Frequency of Elections. As a general rule municipal elections are held in odd years, while state, county, Federal, and sometimes school board elections are held in even years. It is the more or less common practice to vote for Federal, state, and county officers at one time, the first Tuesday after the first Monday of November of even numbered years being the usual date. In these cases, however, the primaries may be held as early as January or as late as September, and runoff primaries are sometimes held as early as February and as late as October.¹⁶ School officials and municipal officers are usually chosen in separate elections held for each. Frequently these take place in the spring or early summer or fall, a time being selected which is believed to be most convenient to the voter.

The Bureau of the Census received election reports from 2226 counties out of America's total of 3058 and from 371 municipalities with a population of over 25,000 out of 409.

¹⁴ See chart in *The Municipal Year Book*, 1946 (The International City Managers' Association, Chicago, 1946), p. 45.

¹⁵ *Ibid.*, pp. 45-46.

¹⁶ Louisiana in 1944 held a primary election on January 18 and the runoff on February 29.

The gross total for state, county, and city elections in 1942 was 4140, of which 2080 were primary elections and 2060 general elections. Of these primary elections 671 were held in August and 1888 of the general elections in November. In 1942 one or more elections were held on 99 different calendar days. The figures for 1943 were 386 primary elections, with September being the high month, and 665 general elections, of which 349 were held in November and 249 in April.¹⁷

It is usually provided that on the day of election the polls shall be open from 6 A.M. to 6 P.M., although the exact hours vary greatly from jurisdiction to jurisdiction and sometimes even from election to election. In spite of the fact that many states have laws on the statute books which provide that employees may take as much as two hours off from their work without suffering loss of compensation or their jobs, few are aware of these statutes, and still fewer take advantage of the provisions. Professors Merriam and Gosnell in their studies of Chicago found that one of the principal reasons for nonvoting was the fact that the polls were open only during the time that many people were working and that a change in voting hours would greatly increase the size of the Chicago electorate.¹⁸ In some localities today the polls are kept open during the early evening hours.

In addition to the regular scheduled elections most jurisdictions also provide for special elections. The most common types of special elections are those held to fill a vacancy caused by the resignation, impeachment, recall, or death of the incumbent. Many jurisdictions also provide for special elections when the governing body requests popular ratification of a particular measure or when some measure or issue is placed before the voters by an initiative, a referendum, or a recall petition. As a rule special elections are costly if the cost is contemplated on a per-vote basis, for the participation is

¹⁷ These figures for number and dates of elections in 1942-1943 are from *National Municipal Review*, Vol. XXXII, No. 4 (New York, April, 1943), pp. 201-202.

¹⁸ See Charles E. Merriam and Harold F. Gosnell, *Non-Voting, Causes and Methods of Control* (Chicago, 1924), p. 233.

usually only a fraction of the number taking part in the regular elections. It is for this reason that many writers have advocated either their abolition or the requirement that before their action can be declared effective, the victorious side must have not a majority of the votes in the special election, but as many votes as would equal at least a majority in the last preceding regular election.

A major purpose of holding municipal elections at a different time from Federal, state, and county elections is to divorce the two in so far as possible. It is contended that if municipal elections are held separately from other elections, it will tend to drive partisanism from city government. However, it might be added that most of the schemes concocted to destroy partisan voting, including separate elections, nonpartisan ballots, and the like, have not been too successful. It is very doubtful whether municipal problems and issues should or even can be settled apart from state and national considerations. Cities in many ways are quite dependent upon their respective states and to some degree upon the Federal Government. Regarding the matter from a practical point of view, we find it very difficult to separate municipal from state and national politics. Especially is this the case in our large cities. Everyone will admit that the holding of separate municipal elections means additional cost.

Location of the Polls. It is the usual procedure to have one polling place in each voting precinct. Some states require public buildings to be used for this purpose. However, it is not unheard-of for some popular store or the property of some faithful supporter of the party to be made use of with a good return to the owner. In some instances in the past the polls have been located in saloons, men's barber shops, and other places which are shunned by some voters. When this happened, it was usually done intentionally, for those who avoided voting in order not to enter questionable establishments were seldom good supporters of the machine.¹⁹

¹⁹ Merriam and Gosnell, in their book *Non-Voting*, contend that the location of the polls in certain undesirable places was an important reason that many sensitive women did not vote in Chicago elections. See p. 97.

The practice of locating polling booths in every precinct greatly increases the cost of the election, but the voter dislikes being inconvenienced. In some instances polling places are located in the business and industrial districts so as to enable those persons to vote who would not be able to get to their home precincts in time to cast their ballots without undergoing considerable inconvenience and hardship. The question is sometimes raised: "Of what value is the vote of one who does not think enough of the democratic process to put himself to some trouble to vote?"

Election Officers. Although election regulations are usually the product of state legislation, their actual administration is left to the city and county. Therefore, the appointment of election officials and the payment of their salaries is primarily a local matter. In the city, as a rule, the appointment of election officials is recommended by the principal political factions; but legally they are usually named by the city council or by some agency created for this purpose. In New York City, for instance, the Board of Elections appoints them; while in Los Angeles they are appointed by the city council; and the same is true in Minneapolis. In Milwaukee they are selected by the Board of Elections. Milwaukee and New York are exceptional in that they require election officials to pass a merit examination.

Most states require the precinct election boards to be bipartisan in addition to residing in the precinct they serve. However, New York, Detroit, Buffalo, Baltimore, St. Louis, Kansas City, Rochester, and others do not require residence in the precinct of appointment. Some require that election officials be literate, and a few require that they be of good moral character.

The terms of election officials vary from city to city. New York, Boston, Newark, Cincinnati, Buffalo, Louisville, and many others appoint election officials for a one-year term; Chicago, San Francisco, Minneapolis, Seattle, and others appoint a new set of officials for each election; Philadelphia, Pittsburgh, Baltimore, Milwaukee, Portland appoint them for

two-year terms; and St. Louis and Kansas City, Missouri, make the appointments for four-year terms. Their compensation also varies considerably from city to city, and even from precinct to precinct and election to election within certain cities. This variation appears to range from nothing in New Orleans, where the election officials receive no salaries, to \$17.50 per diem plus mileage expense in certain cases in Philadelphia.

The number and titles of election officials, exclusive of election clerks, also vary from city to city and sometimes from election to election within a city. Los Angeles has four election officials in each precinct for municipal elections, but six per precinct for state and county elections. Cincinnati and Cleveland usually have four election judges and two clerks per precinct for all elections. Detroit, San Francisco, and Portland use the size of the precinct as a means of determining how many officials each shall have. Most cities, however, provide four officials plus one or two clerks per precinct. As for titles, the following are common: election judges, election clerks, election sheriffs, election wardens, and the like. The title depends somewhat upon the duties; what one city would call an election judge, another might call an election inspector, and still another an election warden or possibly an election sheriff. In most cases the only consistency between cities as far as election officials are concerned is that most of them have far more officials than are actually needed to insure honest and accurate voting and conduct of the elections.²⁰ It is said that New York City has a total of about 15,000 election officials and Chicago 10,000.

In addition to the election officials, the various parties, factions, and candidates may station watchers and challengers at the polls, and the law permits them to be present during the count. The same privileges are frequently extended to the Bar Association, League of Women Voters, and good

²⁰ For a much more detailed discussion of election officials see Murray H. Shusterman, "Choosing Election Officers," *National Municipal Review*, Vol. XXIX, No. 3 (New York, March, 1940), pp. 185-193, 199.

government organizations. These watchers and challengers are compensated by their organizations and not by the city.

The Ballot. Prior to the adoption of the Australian ballot the voter indicated his choice either *viva voce* or by marking a ballot handed to him by one of the political factions, which listed only the names of those supported by the faction who paid for and distributed the particular ballot. Both of these methods made the voter's choice a matter of public knowledge, thereby making intimidation, bribery, and retaliation comparatively easy. In addition, the voting of a split ticket was difficult if not impossible. It was to correct these evils that the people of Victoria, Australia, turned in 1856 to a method of secret voting which has become popularly known throughout the English-speaking world as the Australian ballot.

In February, 1888, the legislature of Kentucky made it possible for the City of Louisville to elect its officers by means of the Australian ballot, thus enabling it to become the first American city to use the new ballot. Three months later the legislature of Massachusetts, in May, 1888, passed a law which made the use of the Australian ballot compulsory for all elections held within the commonwealth.²¹ By 1892 two-thirds of our states had followed the lead of Kentucky and Massachusetts.²² In 1940 Delaware, Georgia, and South Carolina were the only states not requiring the use of the Australian ballot, and of these three only South Carolina's ballot is still devoid of the features of the Australian system.²³

While there are variations in the Australian ballot as used today, the basic features are that it is a secret ballot furnished and paid for by the government rather than by the parties or the candidates competing in the election. It lists the names of all the candidates officially considered as running for office, all propositions upon which the voters are called to render a

²¹ See Sait, *op. cit.*, p. 730.

²² See Charles M. Kneier, *City Government in the United States* (New York and London, 1934), p. 224.

²³ See Charles E. Merriam and Harold F. Gosnell, *The American Party System*, Third Edition (New York, 1940), pp. 353-354.

verdict, and usually room is left for the voter to write in names of persons not appearing on the ballot.

The original Australian ballot did not carry party designations. As it was first used in the Louisville election of 1888, no party designations were provided, and the names of the candidates were arranged in alphabetical order under the titles of the various offices to be filled. The Massachusetts law made possible a ballot of the office group type, as in Louisville, but party designations were permitted to follow names.

Indiana, in 1889, introduced an innovation in the Australian ballot by providing that each party be given a separate column on the ballot and that the party name and emblem be placed at the top of the column with the names of the candidates under the office titles. By placing a cross at the head of the party column it is possible to vote a straight party ticket; in the Massachusetts or office group type of ballot a voter may vote a straight ticket only by marking properly the name of each candidate of his party. The Massachusetts type of ballot, therefore, is favored by those who favor independent voting, while the Indiana type is supported by those desiring support of the straight party ticket.

Soon after the adoption of the Australian ballot or modifications of it came the mechanical voting machine, first used in 1892 by the City of Lockport, New York.²⁴ Beginning with New York in 1892, practically every state provided for the use of mechanical voting machines, and over 300 cities use them. The voting machine for all intents and purposes eliminates possible errors in tabulation of election results. While it is true that the use of machines has not ended all fraud in elections, what fraud is left cannot be attributed to the machines.

The use of the voting machine has not altogether eliminated the use of the paper ballot even in those communities which long ago installed the machines. In communities where an excessive number of offices are to be filled, the use of the paper

²⁴ See V. O. Key, Jr., *Politics, Parties and Pressure Groups* (New York, 1942), pp. 695-696.

ballot in addition to the machine still prevails. In one Philadelphia election J. T. Salter recalls there were so many candidates in a Republican primary that it was necessary to put the names of several on paper ballots since the machine did not provide space to carry all of them.²⁵ In New York City paper ballots are used to vote for councilmen, and the machine for all other officers. This is because the present machines are not equipped for voting under the system of proportional representation, although a new type of machine has been invented to remedy this defect. The city, at this writing, has not purchased proportional representation voting machines.

It has often been claimed by some that by greatly reducing the cost of tabulation and rendering the cost of recounting almost negligible, the use of the voting machine has actually reduced the cost of the electoral process. Others dispute the validity of this contention on the ground that while its use may eliminate some costs, it has created others, such as its heavy initial cost and the cost of storage and transportation. Figures are available to show that at least in New York City the use of machines has somewhat increased the per-voter cost of elections.²⁶ Granting this to be the case, there can be little doubt about the greater degree of accuracy in tabulation which the machine insures; in addition, the fact that it lessens the possibilities for fraudulent voting more than counterbalances the cost factor.

Mention should be made of absentee voting before we end our discussion of voting methods. Absentee voting is a means whereby registered voters who are unable to go to the polls in person on election day may vote through the mail. All states save Kentucky, Mississippi, and New Mexico provided for some means of absentee voting in 1945, although Maryland, New Jersey, and Pennsylvania limited the privilege to those in the military service, and the New Hampshire law does not cover voting in municipal elections.²⁷ By and large, a very

²⁵ See J. T. Salter, *Boss Rule* (New York and London, 1935), p. 150.

²⁶ See Key, *op. cit.*, pp. 698-699.

²⁷ See charts in *The Book of the States*, pp. 88-89.

small percentage of our voting population has availed itself of this privilege in the past.

Method of Indicating Choice. When the paper ballot is used, the usual system of indicating choices is to have the voter place an "X" or a check mark either to the left or right of the name of each desired candidate. Sometimes the names of undesired candidates are crossed out; and there are methods of voting a straight ticket by making a single mark. As we have seen, the Indiana ballot makes provision for this. All the candidates of a party are listed in one column with the party's name and emblem at the head, followed by a comparatively large circle; a voter desiring to vote a straight ticket merely places the proper mark in the circle. Some jurisdictions, however, do not use the circle but do list all of a party's candidates in one column. In this case the voter simply needs to draw a straight line down the length of the column. When it comes to proposition voting, choice is usually indicated by placing the proper mark after or in front of the desired proposition or by writing "yes" or "no" in front of all propositions, depending upon the instructions given in each case.

Voting machines usually list candidates in a chart method with designation of the office at the top and the party at the left so that it is readily possible to know what office each candidate is seeking and what party endorses him. The voter may vote for each individual post by pulling down a small lever above the name of each desired candidate or he may vote a straight ticket by pulling down a comparatively larger lever above the desired party designation. Proposition voting is provided for by placing each proposition, usually in condensed form, at the top of the machine and providing two levers, one to indicate the affirmative and the other, the negative. If the voter cares to vote for a proposition, he pulls down the lever marked "yes"; if he desires to vote against it, he pulls down the one marked "no"; and if he does not care to vote on the proposition, he pulls neither.

When preferential voting is used, another method of indicating choice is employed. In such a case the paper ballot

is used almost exclusively, although machines have been invented to make it possible. Usually the voter places a figure "1" to the right or left of the name of his first choice.²⁸ After the name of his second choice, he will put the figure "2," after that of the third, "3," and so on.

Although the same method of indicating choices is used for preferential, cumulative, and proportional voting, the reader must be cautioned to remember that the purposes of cumulative and proportional voting are entirely different from those of preferential voting. Cumulative and proportional voting are devices intended to give representation to the various parties or factions in proportion to their voting strength, while preferential voting makes it possible for the voter to choose between candidates in order of his preference. Proportional and cumulative voting must be used for multimembered legislative districts or multimembered commissions, while preferential voting is used for single offices. More will be said about these later in this chapter.

Finally, it is sometimes possible for the voter to write in the name of the candidate he favors when that candidate's name does not appear upon the ballot. Most jurisdictions provide for write-ins either by leaving additional space for that purpose on the ballot or by providing some device on the voting machine which makes it possible. In the 1932 New York City special mayoralty election 241,899 of the 2,016,943 votes that were cast for the major candidates were write-ins.²⁹ In the 1944 Pennsylvania Republican presidential preference primary Thomas E. Dewey's name did not appear upon the printed ballot, but enough voters wrote it in to pledge to him the support of the Pennsylvania Republican delegates.

Tabulation of the Vote. When machines are used, the precinct election judges, usually in view of watchers of all recognized parties or factions, mark down the results indicated on the machine and send them to the central office. There

²⁸ The actual place for the mark depends upon the laws of each jurisdiction.

²⁹ These New York 1932 mayoralty figures are based upon the electoral figures given in *The World Almanac*, 1944, p. 411.

the results from all city precincts are compiled, and the candidates receiving the greatest number of votes for each office are usually considered elected, and the propositions for which more affirmatives than negatives are indicated are considered approved. The exception appears when the law requires a candidate to achieve at least a majority in order to be elected; failing to do so, he may be required to enter a run-off. Again, the law may require a proposition to be approved by a majority of the total number of voters who participated in the election.

When paper ballots are used in voting upon propositions and officers for which only one choice can be indicated for each, the method of tabulation is comparatively simple. The ballots are usually counted at the precinct polling places by election officials of the precinct in the presence of the recognized party representatives. After the count, which may take hours, the returns for the precinct, along with the ballots, are sent to a central office where the ballots may or may not be stored, and where all the precinct returns are compiled to obtain the over-all totals. Sometimes, however, all the counting and tabulating is done at the central office. The main difference between tabulating paper ballots and machine results is that the latter takes much less time and requires fewer helpers. Also, there is far less possibility of error or fraudulent returns.

The Long Ballot. While the long ballot is an almost universal defect as far as state and county government is concerned, it is not so prevalent among our cities. Except for a few New England cities which still cling to the town meeting principle, practically all American cities over 5000 elect a body of city legislators, the members of which may be called by such varied names as councilmen, commissioners, or aldermen, depending upon the city and the type of city government under which it operates. In addition to city legislators, more than three-fifths of American cities with a population of over 5000 have a mayor-council form of government,³⁰ which means that most of them elect their chief administrators.

³⁰ *The Municipal Year Book*, 1945, p. 39.

Cost of Electoral Process. The cost of the electoral process varies considerably from city to city and from election to election. It has been estimated, however, that the average American city election costs approximately one dollar per vote. Among the chief reasons for the comparatively high expense are periodic rather than permanent registration, excessive number of separate elections, shortness of terms of elective officers, and excessive number of polling places.³¹ However, part of the reason for the rather high per-vote expenditure is the comparatively small number who participate. In the 1942 school board election in Dallas the cost was one dollar for each vote cast, but with more participating in a similar election in 1944, this cost was reduced to only thirteen cents.³²

PROPORTIONAL REPRESENTATION

Proportional representation is frequently confused with preferential voting. While they were both devised for the purpose of correcting certain alleged weaknesses in the traditional method of selecting public officers, the two schemes are quite different. Preferential voting is used to bring about the election of the individual who represents as nearly as possible the choice of a majority of the voters. Proportional representation, on the other hand, is used in an effort to provide representatives for the various interest groups, so that each may have a voice in the government approximately as strong as its actual numerical strength. For proportional representation to function, at least four or five councilmen must be elected from a district, or in other words, a council or commission of five must be elected at large.

In 1857, Thomas Hare, an Englishman, developed a plan of proportional representation similar to a system used in Denmark. The idea was spread considerably by John Stuart Mill in 1861 in his *Considerations on Representative Government*. New

³¹ It is said that in downtown Manhattan there is a polling establishment where only one man casts a ballot every year.

³² The figures for the cost of the Dallas school board elections for 1942 and 1944 were taken from an editorial in *The Dallas Morning News*, April 12, 1944.

practices are rarely instituted unless they become necessary as reform measures. In the past the need for proportional representation has been less keenly felt in the United States with its strong two-party system than in Europe with its multitude of small parties. In fact, only about ten American cities now provide for the election of their councilmen by proportional representation. These are Cambridge and Lowell, Massachusetts; Long Beach, California;³³ New York City, and Yonkers, New York; Toledo, Hamilton, and Cincinnati, Ohio; Boulder, Colorado; and Norris, Tennessee. Norris elects its councilmen in annual February elections, while the nine others hold their elections on the first Tuesday after the first Monday in November of the odd years. New York City and Lowell conduct partisan proportional representation elections, while the others conduct nonpartisan elections. All use the Hare system of transferable votes.

Use of the single transferable vote eliminates the primary election. On the ballot appear the names of all candidates for membership on the city council. Nominations are usually made by petitions signed by a specified number of voters. At the election the voter indicates his preference by numbering the candidates 1, 2, 3, 4, and so on down the list.

For counting the votes a "quota" is established, constituting the minimum number of votes required for election. The quota may be set by law, in which case the number of councilmen will vary with the number of ballots cast in each election. Or the quota may be determined after the election, which is the usual practice, on the basis of the number of votes cast in proportion to the number of councilmen to be elected. This is done by dividing the total number of votes cast by the number of places to be filled plus one, and then adding one to the result. (12,000 ballots cast, divided by 5 candidates plus 1, equals 2,000 plus 1, giving 2,001 as a quota for election.)

After the quota has been computed, the ballots are separated into stacks by the first choices indicated. Any candidate who receives the prescribed quota is declared elected. If there

³³ Long Beach held its first proportional representation election in 1945.

is a surplus number of votes over the quota for any candidate, this is redistributed among the candidates by second choices indicated and each candidate achieving the quota is elected. Finally, the lowest men are eliminated and their votes redistributed until the desired number of candidates have received the quota, or those who have been elected plus those still in the running will equal the number of positions to be filled. If, instead of the variable quota method just described, a quota has been established by law, the procedure of counting is about the same.

The proponents of proportional representation say that it makes possible advantages of at-large election without the evil of one-party domination. Instead of giving the party with the most votes all the seats in council, it offers a seat to any group which can muster a "quota." While racial and religious groups in municipal politics may be regrettable, it is better that their views be openly represented in council than stifled until an explosion occurs. Proportional representation does not give these groups the idea that their interests call for political action. They already have that idea in hundreds of cities where proportional representation does not exist. It merely gives them an opportunity to get a representative directly at the polls instead of indirectly by pressure on the party slate-makers.³⁴

Through hardly a swift "cure-all," proportional representation does seem to have certain advantages. It does elect a more truly representative body. Each voter's ballot is used more effectively; no longer can 60 per cent of the voters elect the entire council. Political machines are greatly weakened, and geographical manipulation of ward boundaries becomes useless. Since each faction is able to secure representation every time, spectacular overturns of power in the governing body are eliminated.

The critics of the system say it is too complicated for the

³⁴ Thomas H. Reed and Doris D. Reed, "20 Years Forward in Cincinnati," *National Municipal Review*, Vol. XXXIII, No. 8 (New York, September, 1944), p. 382.

average voter, and the high percentage of invalid ballots in initial uses of the system would seem to confirm this. However, where the system has been continued over a period of time, the voters have appeared able to unravel its intricacies. Some have complained about the long period of time required to count the ballots, but this is greatly reduced as experienced help becomes available.

Others complain that proportional representation elects representatives of so many individual interests that it is like electing lobbyists to the legislature. A "working majority" is lacking and too much bargaining is necessary to get anything done. However, considerable bargaining is done even where proportional representation is not used.

The opponents of proportional representation have called it a system for electing second, third, and last choices. New York City for the last four councilmanic elections has failed to choose more than one councilman who received the election quota on the first count. Other cities have not shown a much higher percentage of candidates elected on the first count.

Finally, the legal career of proportional representation has been varied. Connecticut prohibits its use. California and Michigan courts have declared it unconstitutional. New York makes it legally possible, and Ohio courts consider the systems used in local elections to be matters of purely local concern.

PREFERENTIAL VOTING

Most of the elected American public officials are chosen by what is frequently referred to as the majority system, although in reality it is a plurality rather than a majority. Under this system only one count of the votes is made, and the person receiving the largest single number of votes, be it a plurality or a majority, is usually declared elected if that election be a general election. Many critics have long maintained that this may mean minority rule and the choice of candidates who do not represent the people as a whole.

An early method for correcting the evils of the plurality system was the run-off election between the two highest can-

didates. This method is rather widespread and is favored particularly by the Democratic Party in the South. However, it is conceivable that upon a second showing, the third candidate, if allowed to participate, might win a majority or plurality just as readily as either of the top two. Furthermore, there is the extra expense of an additional election to be considered. In order to avoid holding extra elections and to eliminate nominating elections or conventions and at the same time arrive at a closer approximation of the will of the people, efforts have been made to arrange some fair and efficient method of preferential voting. Preferential voting makes it possible for a voter not only to designate his first choice, but also a second and third, or even number his choices of all the candidates on the ballot. The aim is to bring about true majority elections where three or more candidates are running for a single office. A candidate is declared elected when he has a majority of first-choice ballots, or lacking this, when the addition of second, or even third choice if necessary, produces a majority of all votes cast.

So far as actual voting is concerned, there is the disadvantage of the very long ballot, which would require on the part of the voter even greater knowledge of the candidates than is normally necessary. There is also the possibility of confusing the voter by using different systems of voting for the various elections. Several state courts have gone so far as to declare certain systems of preferential voting unconstitutional. Added to all that is the vexing problem of a method of counting the votes cast.

One method of preferential vote counting is the Bucklin or Grand Junction system, first used in 1909 in Grand Junction, Colorado. Under this system the voter indicates his first, second, and third choices. The first choices are counted; and if one candidate has a majority, the count is finished. If no candidate has such a majority, the second choices are counted and these totals are added to each candidate's sum of first choices. If a majority still fails to appear, the third choices are counted. The candidate having the highest number of first, second, and

third choices is declared elected whether or not he has a majority. The worst feature of this system is that the voter's second and third choices really count against the candidate of his first choice. The voters soon learn this and refuse to mark second and third choices. This disadvantage is partly overcome by giving different weights to the first, second, and third choices, as in the so-called Nanson plan. Here three points are given to the first choice, two to the second, and one to the third.

The most satisfactory method of handling the votes seems to be the Ware plan, in which the voter's wishes are observed as faithfully as possible, and his second and third choices are not used to the disadvantage of his first choice. By this system the candidate with the lowest number of votes is first eliminated, and his ballots distributed among the remaining candidates in accordance with the second choices indicated thereon. If a majority is still lacking, the next low candidate is eliminated and his ballots redistributed by the next indicated choice.

Schemes of preferential voting enjoyed a temporary splurge of popularity, but have since been discarded in many places, largely because of the unfairness of the most widely known method, the Bucklin system.³⁵

PROPOSITION VOTING

As far as most voters are concerned, voting for officials is the most important part of the electoral process. However, the choice of public officials is frequently not the only question that the voters are asked to pass upon when they cast their

³⁵ Cumulative voting also came into being as a method of making representation possible for minority groups. For half a century Illinois has used the cumulative voting system to elect the members of its lower house. Three members are elected from each district. Each voter may cast three votes, in any way he sees fit. He may cast three votes for one man, one and a half votes for each of two men, two votes for one man and one for another, or one vote for each of three men. By this method the minority party may concentrate its votes behind one man and be relatively certain of his election. Of course, this method has its flaws and can be abused so that the minority might capture two of the three seats or the majority might capture all. As far as is known, no city uses cumulative voting, although Illinois makes it possible for them to do so.

ballots. Not infrequently propositions are submitted to them in any number of ways. These may be presented by the council at its direction, by compulsory charter provision, or at the direction of the state constitution or state statutes. In most cases the question is placed before the entire electorate; in others, charter and/or state constitution or statutes require certain issues to be placed before an electorate limited to the payers of city *ad valorem* property taxes. Frequently changes in city zoning regulations or proposals to float bond issues are placed before a limited electorate. In addition to these the voters are sometimes asked to pass upon legislative acts, charter revisions, and constitutional amendments. Too frequently the voter is not qualified to do so intelligently.

Proposition voting has been attacked on many grounds. One argument against it is that we live in a representative democracy and that proposition voting, inasmuch as it is an application of direct democracy, is against the American way of life. However, it should not be lost sight of that almost every state constitution was submitted to the voters for their approval. It is true that only a small percentage of those who vote for candidates vote on propositions, but many of our cities are seeking to prevent this by requiring that no proposition shall be effective unless more than 50 per cent of the voters of the last mayoralty or gubernatorial election approve it. It is also argued that whenever the use of proposition voting requires the holding of special elections, it creates an additional public expenditure. This cannot be denied, and because of this fact many contend that all propositions should be submitted only at regular pre-scheduled general elections. This is now the case in New York City.

Another argument frequently used against proposition voting is that it lengthens the ballot. This must be admitted. In the 1914 California state election 48 measures, of which 22 were placed on the ballot by the legislature and the remainder by initiative and referendum, were submitted to the voters.³⁶

³⁶ California figures are taken from Peter H. Odegard and E. Allen Helms, *American Politics* (New York and London, 1938), p. 721.

Between 1924 and 1935 the voters of Chicago voted on 173 local propositions, of which they approved 118 and rejected 55. In the April, 1928, election the voters of Chicago were called upon to vote on 31 bond issues, all of which were rejected.³⁷ However, the fault of excessive questions could be eliminated if proposition voting were limited to important questions and charter amendments, all of which it seems should be decided by a majority of the entire electorate.

INITIATIVE AND REFERENDUM

Throughout much of our history it has been contended that, once elected, the legislative bodies frequently fail to respond to the wishes of their constituents — the people. In order to correct this alleged evil the Constitution of South Dakota was so amended in 1904 as to make possible the passage of legislation directly by the people without the necessity of obtaining the approval of the legislative body. From South Dakota direct legislation has spread over the United States, but is more prevalent in the West than in other sections.

When used in cities, the initiative procedure makes possible the creation of legislation by a petition signed by a certain percentage of, or a given number of, the voters. When a percentage is used, which is usually the case, it is generally based upon the total number of voters in the community who participated in the last mayoral election and often averages around 10 per cent. When the required number of signatures has been obtained, the petition is filed with the city clerk, the commissioner of elections, the board of elections, or whatever authority the state statute or city charter provision may designate as the receiving agency of the petition. Some jurisdictions require a special election to be held within a given number of days thereafter, while others merely require

³⁷ The above and other Chicago figures for proposition voting may be found in Harold F. Gosnell, *Machine Politics: Chicago Model* (Chicago, 1937), Chapter VI. This chapter of Gosnell's book is an excellent discussion of proposition voting in Chicago. However, in the absence of equally illuminating studies of other cities, it would be difficult to say whether or not the Chicago experience is typical.

that the proposal be placed on the ballot in the next regular election of officials for the particular jurisdiction. Usually the proposal needs to be approved by only a majority of those voting on it in order to become law.

Another method making possible public participation in the legislative process is rendered possible by referendum. There are two types of referendum. The first and oldest deals with constitutions, city charters, and amendments to either, and goes back to the precedent established by the Commonwealth of Massachusetts in 1778, when its legislature submitted its constitution to the people for ratification. This first type of referendum gives the people an opportunity to accept or reject a proposed change in the basic law of the community after the proposal has first been approved by the authorized governmental agency. The use of this method is all but universal, but the provisions vary from jurisdiction to jurisdiction. Some jurisdictions require the approval of a majority of the total number of voters of the jurisdiction who participated in a given gubernatorial or mayoral election; others require merely a majority of those voting on the resolution. Some jurisdictions require the proposal to be made first by a constitutional convention or by a charter revisionary committee, and others by one or more sessions of the legislature or the city council.

The second type of referendum came in more or less simultaneously with the initiative and exists almost exclusively in those jurisdictions which provide for the initiative, although many jurisdictions which provide for the initiative do not provide for referendum. As we have seen, the first type of referendum makes possible the popular ratification of proposed changes in the basic law, while the latter type gives opportunity for the voter to pass directly upon secondary law. It is a method through which the people may pass legislation that the legislative authority of the jurisdiction has refused to approve. Both initiative and referendum are means by which the people may do the work of the legislative authority, and the purpose of both is largely the same, namely, to make

possible more popular control over government. The mechanics in the two cases are likewise similar.

The original motivation which led to the agitation for the initiative and referendum procedures was the popular distrust of the legislative authorities, and these procedures were adopted largely in the hope of providing the people with a means of defending themselves against legislative usurpation of the voters' rights. In actuality, however, the initiative and referendum procedures have sometimes become a weapon of those pressure groups which are unable to control the legislative authorities. Because of popular indifference to many of the questions placed before them, only a comparatively small percentage of the voters vote upon many initiative and referendum questions. When only a fraction of the electorate participates, the outcome is not necessarily the verdict of the people, but rather the outcome of a struggle for supremacy by conflicting pressure groups. Petitions for the initiative and referendum questions are all too frequently prepared and presented by pressure groups who spend much money and time in an effort to win their points.

Another criticism of the initiative and referendum procedures is that they run contrary to the basic principle of American government, which is supposed to provide for representative democracy rather than direct democracy of which the initiative and referendum procedures are examples. To this is added the complaint that the use of initiative and referendum lengthens the ballot and by doing so makes it more difficult for the average voter to vote intelligently, thereby weakening, rather than strengthening, popular government.

It is contended that direct legislation is expensive and that it makes it possible to place extreme ideas before the voter. On the other hand it is to be remembered that some good has come out of it, even though the full expectations of the proponents have not been realized. For example, it was through the initiative procedure that the people of New York City were able to consolidate the five separate sheriff offices and

the five separate registrar offices into one city-wide sheriff office and one city-wide registrar office and make the merit system applicable to both. It is a club which the voters may wield whenever the circumstances demand.³⁸

RECALL

Like its associates, initiative and referendum, recall was originally instituted in a spirit of reform as a means of keeping power in the hands of the people. Its primary virtue seems to be that at a time of great popular suspicion toward an official or a group of officials, action may be taken by the voters to remove them. Theoretically, therefore, recall exists to permit, without resort to court proceedings, the removal from office of undesirable elected incumbents, although in some few instances it has been extended to cover certain appointive positions.

Provision for the use of the recall procedure was first made in Los Angeles in 1903. Since that time it has been adopted in many cities throughout the country. Some fifteen states provide for the use of recall in all cities, and twenty-three others provide for its use in certain cities. It is most commonly provided in those cities with the commission or manager form of government.

Recall procedure is usually instituted by submitting a petition signed by either a set percentage, which varies from 25 to as high as 55 per cent, of the voters or a required number of voters for removal of a designated official. Some reason for this action must be set forth. Usually the excuse given is general incompetency, inefficiency, extravagant use of public funds, conduct unbecoming a public official, or something equally vague. Specific accusations are avoided either to

³⁸ For a more detailed study and criticism of initiative and referendum see Kneier, *op. cit.*, pp. 273-289. For a study of initiative and referendum in relation to pressure group activities see Key, *op. cit.*, pp. 224-227. In its relation to public opinion see Charles W. Smith, Jr., *Public Opinion in a Democracy* (New York, 1939), pp. 371-377. For a defense of it see John M. Selig, "San Francisco Voters Prove Sound 'Lawmakers,'" *National Municipal Review*, Vol. XXXII, No. 9 (New York, October, 1943), pp. 486-492.

cloak an unworthy reason or to eliminate danger of later prosecution for libel.

When the required signatures are obtained, the petition is filed with the city clerk for checking and action. In some cases a new election is called, and the officer simply appears again as a candidate for office; thus the issue of removal is not faced directly. By another method part of the ballot is devoted to the question of removal from office and part to the election of a successor if the incumbent is recalled. A third type of recall settles the two matters at separate elections: the question of removal is decided first, and a new officer elected later.

Although the purpose of the recall is to provide a continual popular check over the personnel of the government, it is questionable whether it does so. It is to be remembered that recall petitions are instigated in most instances either by disappointed office seekers who seek a means of getting into the control of the government or perhaps a slice of the patronage pie, or by pressure groups who have failed in their tactics to make the officials amenable to their wishes. Because of the comparatively small percentage of voters usually participating in recall elections as against the much larger percentage in general elections, the result of the recall election may not be indicative of the will of the community. Furthermore, using the recall as a threat, "out" groups frequently force the "ins" to "divvy up" the patronage pie, thereby forcing the public to pay for the greed of both the "ins" and the "outs." Then too, in order not to give powerful pressure groups an excuse to instigate a recall procedure, public officials may give in completely to their demands regardless of whether or not they represent the best public interest.

On the side of the incumbent there are certain methods of defense. The city clerk may delay action on the petition, and such delay may well benefit the accused. Or perhaps some error may be discovered and the petition declared invalid.

As a rule an officer is given an initial period of probation before recall proceedings may be instituted. It is argued, however, that a few months is not a sufficiently long period of

time to enable a man to demonstrate his abilities. In case recall proceedings fail, a number of cities provide that they may not be instituted a second time within a given period or perhaps not within the term for which the officer was elected.

It was originally contended that by making recall possible there would be engendered in public officials a healthy respect for the interests of their electorate. Opponents answer this contention with the argument that it might just as easily generate in the minds of honest men fear of a fickle public and of pressure groups. There seems to be little evidence to uphold either contention. Recall has not proved to be so powerful and influential a weapon as its proponents predicted, nor has it been so dangerously and frequently used by a fickle public as its opponents argued. No exact statistics exist to show just how often it has been used nor how good or bad it has been in practice. However, such figures as do exist indicate that its use has been very conservative, much more sparing than was anticipated at its inception. In some instances incompetent or dishonest officials have been removed by recall; at times honest and capable men have suffered by its use; and in other cases it has been made use of as a threat to influence or harass public officials.

Perhaps the strongest argument against recall is the dubious ability of the public to elect a "worthy" man when the first election failed in that respect. There is no more guarantee of public immunity from misinformation and generally poor judgment in a recall election than in any other kind of election. It is also considered an added burden on a poorly informed and usually indifferent electorate.³⁹

Finally, initiative, referendum, and recall are no longer considered radical. To be workable they must not require too large a percentage of the voters to sign the petition. Voters should learn not to use these powers too often. Their value is as much in their existence as in their use.

³⁹ *The Model City Charter*, Fifth Edition, makes provision for both initiative and referendum, but not for recall.

The City Council



EVERY self-governing American city possesses a policy-making body which is usually spoken of as the city council. Its legal title varies from place to place. In ancient days it was usual to speak of this body as the "court of common council," but we of the present-day America use the term "municipal assembly," "commission," "common council," or more commonly "the council." For the purpose of simplicity let us use the term "council" from now on.

In the early days of American independence the council was virtually supreme in the local field. It appointed the mayor and supervised city administration. Subject to the state constitution and the legislature, it passed ordinances governing local affairs, and some of its members — the aldermen — shared with the mayor extensive judicial powers. As a matter of fact, the council ruled the town, for there was little the mayor could do without its consent. Gradually all this began to change; the mayor gained power at the expense of the council. As the mayor's administrative duties were increased, many of the old-time functions of the council slowly disappeared. Administratively the council lost to the rising power of the mayor, while legislatively its function became curtailed by the interference of the state legislature and the introduction of initiative and referendum.

Regarded from one point of view, the council lost caste. It became emasculated of many administrative functions and, to some degree, of legislative duties. But since much of what

we call municipal government is administrative rather than legislative in nature, it would follow that questions of administrative policy should be decided by an administrative officer. Policy determination is a legislative function and should be devolved upon the city council. Today city councils in this country have by and large come nearer to performing the latter function than ever before in our history. Especially is this true of those forms of municipal government which have developed since 1900 and have emphasized the importance of the council. Under the commission plan all municipal powers are vested in the council or commission, which both formulates and carries out policy. The council-manager plan gives the council no direct control over administration, but provides that the chief executive be appointed by the council and solely responsible to it. The council oversees administration, but does not actually take part in its execution.

Any discussion of the city council quite naturally will depend upon the period, the place, and the form of municipal government which is in operation. Since the mayor-council form is still the predominating type now found in our American cities, the present chapter for the most part will be devoted to the council of the mayor-council government. A statement of the position of the council in the other forms will appear in a later chapter.

We have seen that in the colonial period there was a unicameral council composed of a mayor, a small number of aldermen, and a large number of councilmen. Following the Revolution, the bicameral council began to appear — Norfolk, Virginia, adopted it in 1788, Philadelphia in 1796, Baltimore in 1797, Pittsburgh in 1816, Boston in 1822, New York in 1830, and St. Louis in 1838 — so that by 1840 the bicameral council had become quite common in our larger cities. This widespread adoption of the two-chamber plan during the early and middle nineteenth century was another indication of the attempt to mold the government of our cities after that of the nation and the states. The arrangement was staunchly defended on the ground that it insured adequate

deliberation through delay and that hasty, secret, and ill-advised legislation could not be rushed through unobserved and unchallenged. But the evils which went with the bicameral council gradually became disclosed in one city after another where it was used. During the latter half of the last century bicameralism was adopted in some cities but abandoned in others, the two tendencies practically offsetting each other. The number of bicameral councils in 1905, for example, was about the same as in 1865.

During the past four decades unicameral city councils have again become almost universal in the United States. They prevail today in all of the 25 largest cities, except possibly New York which leans toward bicameralism. The New York Board of Estimate and Apportionment, though largely an administrative body, is frequently referred to as the upper branch of the City Council. Disregarding New York, the bicameral plan now exists in only 16 cities with more than 5000 population. These cities are: Danbury, Connecticut; Atlanta, Georgia; Augusta, Bath, and Waterville, Maine; Everett, Malden, Northampton, Springfield, and Worcester, Massachusetts; Keene, New Hampshire; Central Falls, Newport, Pawtucket, and Woonsocket, Rhode Island; and Richmond, Virginia.¹

The unicameral council is found in all cities which have adopted the commission or the council-manager form of government. Since both plans provide for small one-house councils, it appears reasonable to assume that their popularity has accentuated the movement to abandon bicameralism in city government.

SIZE OF THE COUNCIL

The average American city council has generally been relatively small as compared to those of European cities. At first there was a tendency to increase the size more or less in proportion to the growth of population, but in recent years the membership has been generally reduced, regardless of the

¹ *The Municipal Year Book*, 1946 (The International City Managers' Association, Chicago, 1946), p. 44.

size of the city and its form of government. As a matter of fact, the great majority of our cities nowadays have small councils; the number generally varies from five to nine. For example, nine is the fixed number of councilmen in Cincinnati, Dallas, Denver, Detroit, Indianapolis, Pittsburgh, and Seattle.² But larger councils have not entirely disappeared, as is evidenced by the following: Boston has 22, Chicago 50, Cleveland 33, Milwaukee 27, Minneapolis 26, New York 17,³ Philadelphia 22, Providence 26, St. Louis 29, and Worcester 41.⁴ However, it is rather rare for city councils to have more than twenty members. In mayor-council cities the size of the council tends to decrease with the size of the city; in commission cities the number is usually five regardless of the size of the city; while in council-manager cities councils are never large — five, seven, or nine members are common. The tendency since the turn of the last century has been to reduce the size of the council. There is a feeling that a comparatively small council will do better work and waste less time than a large one.

The city council should not be unwieldy, but it must be large enough to provide adequate popular representation. Various economic, geographic, and social groups should be represented, but the body should not be so large as to degenerate into a debating society. On the other hand, it is doubtful that a small council, say of five or seven members, can adequately represent all the phases of a great city's life. Twenty or more may be a better number for our large communities.

TERM OF OFFICE AND REMUNERATION

The term for which councilmen are elected varies from one to four years. The one-year term which was the rule in the colonial period has in most cases disappeared. As a rule,

² *The Municipal Year Book*, 1946 (The International City Managers' Association, Chicago, 1946), pp. 51-52.

³ In addition to the Council there is a Board of Estimate, consisting of the Mayor, the elected Comptroller, the President of the Council, and the five borough Presidents (each having weighted voting power), which has responsibility for certain financial legislation.

⁴ *The Municipal Year Book*, 1946, pp. 51-52.

mayor-council cities have two-year terms, commission cities usually have four-year, and council-manager cities show some preference for four-year terms. Taking all cities over 5000 in population, the two- and four-year terms are about equally popular.⁵ There is some tendency for the term of the council to become longer as the size of the city increases.

Salaries also pose some difficult questions. The once popular theory that every person should give freely of his time and talent, with no reward save the joy of public service, has for the most part been abandoned. However, in most of our smaller communities no regular salaries are provided. It is true that some of these pay each councilman an annual salary of \$500 or \$600, while others pay \$10 or \$20 per meeting with an annual maximum of say \$500 or \$1000. Cities of 25,000 to 100,000 population pay annual salaries ranging from nothing to \$7000. Most of these, however, are generally very modest. The tendency is for commission cities to pay higher salaries in view of the fact that councilmen perform administrative duties, while nominal salaries are the rule for mayor-council and council-manager cities. This is especially true for small and middle-size cities. Larger cities generally pay higher salaries. For example, Birmingham pays \$7000 per year; Chicago, Cincinnati, Detroit, Philadelphia, and New York pay \$5000; Jersey City and Newark, \$7500; New Orleans, \$6000; and Pittsburgh, \$8000 per year.⁶ Within recent years there has been some slight tendency to increase the salaries of councilmen. Certainly some salary must be paid if there is to be representation from all classes, because the individuals whose incomes are in the lower brackets are not in a position to donate their services.

QUALIFICATIONS

The type of man elected to our city councils varies greatly, not only from state to state but also from city to city within

⁵ *Ibid.*, p. 45. Overlapping terms for councilmen are most common in council-manager cities and least common in commission cities. The percentage of cities having overlapping terms tends to decrease with the size of cities.

⁶ *Ibid.*, pp. 51-52.

any given state. This is true, although charters and statutes alike attempt to standardize the type of candidate to be chosen by setting up formal requirements. But a number of qualifications can never be written into either charters or statutes. For instance, one of the most important attributes of a councilman is his interest in the city and its civic affairs. He must have a genuine, unaffected, and driving interest in the affairs of the community, without regard for the desires of isolated or particular groups who attempt to influence him for their own betterment. *Western City* expresses the idea well:

A term as a member of a City Council . . . can be a rich and varied experience for a man. A certain amount of education is required, not formal learning, but a sense of the eternal fitness of things and of proper proportions, which is a mark of true education. A legislative official or one who sits upon the directorate for some particular municipal function, need not have any great accumulation of factual knowledge concerning the administration of government. But he does need judgment. He needs judgment to fit the immediate problem into its proper perspective. He needs to be sensitive to the countless problems which face him, and all of us, in this world in which we live today. He sits in a position of authority and power on questions of social interrelationships and personal interests, fully as often as he must make policy determinations on matters of public safety to water supply. Discrimination, tolerance, and ability to distinguish the sham from the genuine, a tough hide and a certain persistence toward a high standard of decency in government — these are the qualities needed in a Councilman, regardless of the size of the city he serves.⁷

Some of the more common charter and statutory requirements for city councilmen are as follows: the individual member of the governing body must (1) be of at least a certain age, twenty-five years being not uncommon; (2) be a resident citizen, sometimes for a definite period of time; (3) be a citizen of the United States; (4) possess the qualifications of an elector; (5) be an owner of property in the city; and

⁷ *Western City*, Vol. XV, No. 1 (January, 1939), p. 11.

(6) not owe the city any money or taxes. In addition, certain negative qualifications sometimes appear; the councilman, for example, can hold no other office under the city government, or cannot be interested in any contract or work which must be paid for by the city. In some cases a councilman is forbidden to be surety for any person holding a contract with the city which may require security, or to be surety on a bond for any city officer. Most city charters carry these or similar provisions, as the framers in most instances have very zealously safeguarded the integrity of city officials.

METHODS OF ELECTING COUNCILMEN

There are a number of methods of choosing members of the city council. It may be done by election by wards, election at large, by a combination of the two foregoing plans, and election at large after nomination by wards. Our discussion here will not include proportional representation and preferential voting; they have been treated in the preceding chapter.

Where the ward system is used, the city is divided into areas which are supposed to be approximately equal in population, and each of these elects one or more councilmen. Wards or districts are arbitrary divisions, and their boundaries may be altered from time to time by the council as the population of the city changes. When ward lines are disregarded and councilmen are chosen by the voters of the entire city, they are said to be elected at large. Election by wards is said to secure a better cross section of the city. The gold coast, the poorer wards, the foreign-born sections, the Negro sections, and all others have a better opportunity to secure representation in the council under the ward system than where all are elected at large. Thus election by wards helps to secure representation of minority groups and also keeps the council in closer touch with the people. The ward system gives the voter a short and simple ballot. It has a tendency to place in the council men who may be presumed to know the needs of their respective localities. Boston, Chicago, Cleveland, Philadelphia, and Milwaukee elect their councilmen by wards.

Both methods have something to be said in their favor; on the other hand, both have their weaknesses. The ward system discourages men of broad vision who are able to see beyond the boundary of any given ward and understand the needs of the entire city. It places local whims above the general welfare and fosters a spirit of localism, for any councilman who owes his election to one ward will almost inevitably make its interest his own. His chief object will be to obtain the largest number of advantages in the way of public improvements for the ward which elected him, and he is generally safe so long as he succeeds. He will be inclined to help his fellow councilmen to get something for their wards, for in so doing he obtains their assistance in getting what he wants for his own. Thus, the work of the council often degenerates into a melee of trading and logrolling.

The ward councilman is usually a ward politician. When each ward is required to elect a representative, some able individual may be excluded from the council because he happens to live in the wrong neighborhood. If the ward system is used, a number of inferior men may be chosen because their districts are able to furnish no strong competition. Small districts may mean the election of little men.

Election at large helps to attract better men to run for office; it encourages them to take a broader view on civic problems; and it places the council in a better position to reflect the sentiment of the entire community. By and large it tends to raise the whole tone of the council, for in order to be selected by the whole community an individual must have more than the favor of his immediate district. These are all arguments for the system, but there are items on the debit side which should be considered. Election at large virtually assures the majority party of a clean sweep at the polls. The minority group or groups are denied a real chance of electing a single candidate. The ward system is often criticized because it fails to give the minority party representation in proportion to strength, but election at large is open to the more serious criticism that it generally cuts the minority off from all repre-

sentation. Not only are all the councilmen likely to belong to a single party, but they all may be chosen from one section of the city. However, the danger that any district will be neglected is not great, for each party generally is careful to draw its nominees from all parts of the city and from all classes. It would be poor policy to do otherwise. A real defect of election at large is that it increases the cost of electing the council because every candidate must conduct a city-wide campaign. The larger the group to be reached, the more the cost of the election. St. Louis, San Francisco, Detroit, and Pittsburgh elect their councils at large. The steady trend has been toward the at-large system, although Boston and Los Angeles abandoned it in 1925 to return to election by wards.

A number of cities have experimented with other methods of electing their councilmen by combining the methods of election at large and by wards. In some cases this has been done by electing a part of the members by wards and the others at large. Kansas City, for example, elects approximately half of its council at large and the other half by wards.⁸ The same is true of Buffalo, Dallas, Houston, and Rochester.

Another plan which seeks to secure the advantages of both methods is that of electing the councilmen at large but providing that they must live in the wards they represent. Atlanta, Georgia, and Louisville, Kentucky, both have plans similar to this. In California, Indiana, and North Carolina there are a number of cities where councilmen are nominated by wards but are elected at large.

Approximately 37 per cent of the mayor-council cities elect their councilmen at large, while almost 98 per cent of the commission cities and 72 per cent of the council-manager cities have councils chosen entirely at large. A sizable minority of mayor-council and council-manager cities have combined representation at large and by wards. Selectmen in town meetings and representative town-meeting cities are predominantly elected at large.⁹

⁸ The Mayor is a member of the council and is chosen by the voters of the entire city.

⁹ *The Municipal YearBook*, 1946, p. 45.

VACANCY IN THE COUNCIL

Whenever a vacancy occurs in the council, it may be filled by various methods, depending upon the statutory or charter provisions. For instance, in some cities the council may, without restrictions, appoint a person to fill the vacancy, whereas in others this appointment is valid only if certain factors or conditions are present. Other cities provide for an election as the only method. Vacancies may occur because of death, resignation, or removal. Removal is usually provided for in case of malfeasance, nonfeasance, misfeasance, misconduct, acceptance of bribes, continual drunkenness, or other grounds sufficient in the judgment of the council.

COUNCIL ORGANIZATION AND PROCEDURE

When a new city council has been elected, its first duty is to meet and organize. This it does on a date fixed by the city charter or state statute. Thereafter, regular meetings are held frequently, depending upon the amount of work to be done. Occasionally, councils under the commission plan meet daily; some councils meet once a week; others meet only once or twice a month. In any case, special sessions are often called between the regular ones. As the city council has a continuous existence for at least a year at a time, it is rarely necessary to rush anything through at any particular session or to prolong a meeting indefinitely.

In order to carry on their work, city councils must have officers, rules, and generally some committees. The usual officers are a president, a president pro tem, a clerk or secretary, a sergeant at arms, and perhaps others. In the small city there is little need for having any officers other than the president and clerk. In addition to the above officials, it is customary for the city attorney or corporation counsel, and the city manager in case there is one, to be present at council meetings. Also, heads of the various departments may be called in from time to time.

The office of president of the city council in American cities has not been standardized. The mayor may preside at council

meetings, as in Chicago; a president of the council may be elected by the voters, as in New York City; or the council may select its own presiding officer, as is done in Philadelphia. His powers depend primarily upon the terms of the charter. Generally, the president is a full-fledged member of the council, which indirectly confers upon him the right to vote in all cases. However, in some instances he may vote only in case of a tie. Being president makes him an *ex officio* member of numerous boards and commissions and confers upon him the usual powers of a presiding officer.

The office of clerk of the city council is almost without exception identical with that of the city clerk. The office is filled in various ways — appointment by the mayor, by the council, by the mayor and council, or election by the voters. The clerk or his deputy attends all council meetings and keeps a record of the proceedings. No official action of the council is too important and none too trivial to require his attention.

The work of the city council is performed at least in part through committees. In the larger cities much of it is done in this way. There are both standing and special committees, and they function along lines similar to those in Congress or our state legislatures. Their method of appointment varies greatly from city to city. In some instances they are selected by a committee of the council, subject to council approval, while in others they are appointed by the presiding officer or named by the whole council directly. As a rule, when the president of the council is not elected by the council, the tendency is to deny him this power. The number of committees also varies. Usually it ranges from five to ten in small cities and from fifteen to twenty in larger ones. In any case, each councilman is usually chairman of at least one or two committees and a member of several others, each committee ordinarily having from three to five members. Council committees do their work between regular sessions; their meetings are held irregularly, but the more important ones usually meet at least once between each regular council session. Often these committees, especially in smaller cities, exercise both

administrative and legislative functions. For instance, the street committee recommends the enactment of ordinances affecting streets and alleys, and in some cases more or less supervises the corresponding branch of city administration. In addition, the council sometimes meets as a committee of the whole. This is sometimes done to facilitate business, but it may be for the purpose of excluding the public from the council's deliberations. Many city charters provide that "all Sessions of the Council shall be public,"¹⁰ but this requirement is rarely applied to committee meetings; therefore, when the council desires to sit behind closed doors, it needs only to resolve itself into a committee of the whole.

The rules governing council procedure will generally be found in a city's charter, in state statutes, and in the ordinances under which the city operates. Many of these rules, of course, are beyond the power of the council to alter. It is the general practice for the city to print them in a small handbook for the use of council members or other interested persons. The purpose of these rules is to expedite council business, to insure a fair and open consideration of all matters, and to give all persons and parties a square deal. As a matter of fact, this end is sometimes not achieved. The newly elected councilman is often at a great disadvantage because he is unfamiliar with procedural technique. There are occasions when the minority faction may be able to obstruct business because of its mastery of the various twists and turns of procedure. For these and many other reasons we find a number of city charters attempting to provide more definitely for council procedure.

Any councilman may introduce a bill on any subject. He does this by handing it to the clerk of the council, who reads the title. This is known as the first reading. If a larger city and committees play an important part in legislation, the president at this point refers the bill to the proper committee.

¹⁰ It is not unusual, however, for councils to have informal, closed luncheon sessions or other closed meetings directly preceding regular or special council meetings.

The committee then holds hearings; those in favor of the bill and those who oppose it are permitted to appear before the committee and express their opinions. The committee may then meet behind closed doors and amend, accept, or reject the bill. Suppose it decides to report the bill favorably: it shapes the bill and sends the council a favorable report. At this time the bill is again read by title — the second of the three readings which are in most cases required. It now is placed on the legislative calendar and awaits council consideration. When its turn comes, the bill is given a third reading which is usually in full. At this time amendments are offered, debated, and voted on. Finally the vote on the bill in its amended form is taken. If it passes, it is sent to the mayor or president of the council for his signature. In mayor-council government, the mayor may sign or veto the bill. In most cities a bill vetoed by the mayor may be repassed by the council, an extraordinary majority being required in most cases in order to do so. There is no such thing as a “pocket veto” in city government, for the council is almost continually in session.

As a procedural requirement, a quorum is necessary before the city council may transact business. This is the number of members which must be present for the transaction of business and the enactment of ordinances.¹¹ In the absence of charter provisions, a majority of the members constitutes a quorum. Where a quorum is present, a majority vote of those present is sufficient for the enactment of an ordinance unless the charter requires a greater vote.

Most city charters also require that ordinances must relate to but one subject and that this be expressed in the title. This requirement tends to guard against fraud and surprise, and

¹¹ An ordinance is the council's formal statement of its will. Less formal action usually takes the form of a resolution or a simple motion entered upon the council's minutes. Ordinances are generally intended to state a more or less permanent policy, while resolutions often apply to matters of a temporary nature. For example, a building code would normally be adopted in the form of an ordinance, while a decision to proceed with the paving of a particular street might take the form of a resolution.

makes the passage of ordinances with "jokers" in them more difficult.

Ordinances must be adopted according to law, and must be in writing before they are acted upon and signed by the mayor or president and clerk. Many charters and statutes provide that no ordinance shall be passed on the day it is introduced, unless it is an emergency measure and passed by a unanimous vote or a vote of two-thirds or three-fourths of the council. Thus when an emergency is declared, an ordinance may be passed on the first reading. The emergency clause has not been abused in many instances. Many charters also provide that ordinances shall not take effect until a certain number of days after final passage, or until a given number of days from the date of last publication, unless an emergency has been declared. It is common to require ordinances, especially those imposing fines or penalties, to be published a given number of times in an official newspaper of the city for a stated number of days before they become effective.

POWERS OF THE COUNCIL

The policies of the city council are generally expressed through the enactment of ordinances. A city ordinance is the lowest grade of legislation in our legal hierarchy. It must not be in conflict with either the state constitution, state statutes, the National Constitution, Federal statutes, or the city charter, as interpreted by the courts. Moreover, the municipal corporation has only those powers which are specifically authorized; it has few implied powers, for its authority is strictly construed by the courts. In this respect, a city council differs greatly from Congress, whose delegated powers have been liberally construed, permitting a wide field of implied legislation. The authority of the city council is also much more limited than that of the state legislatures, for they do not have to show specific authority for their actions, since they may do anything that is not prohibited by state or Federal constitutions.

In the exercise of the powers granted to the municipal corporation, the council holds an important position. The courts

have held that powers granted to the city and not conferred upon any particular officer belong to the council. But it is to be remembered that in no two cities are the powers exactly alike and that even in the same city they change from time to time. For our purposes these powers may be conveniently classified under the two headings, legislative and administrative. The former we shall consider first.

Legislative. The council is the general agent of the municipal corporation for all purposes and, as has been stated, it exercises all corporate powers not expressly granted by law to other boards, commissions, or officers. Its primary function is legislative; it is the local legislative body. Much of its time is spent in considering and passing ordinances for the government and the welfare of the city. The charter may prescribe the general outline of city government, but in many cases the council fills in the details. Through ordinances, the city council establishes various offices, fixes their compensation and prescribes their duties. Similarly, the council determines the tax rates. Sometimes it frames the city budget, assisted by the committee on finance, but more commonly it only considers the budget as presented by the mayor or city manager. Usually it may make such changes as it desires. But in Boston the council may only reduce or strike out items; it may not increase them, and any changes it makes are subject to the mayor's absolute veto. In New York a three-fourths vote is necessary to override the mayor's veto of a budget item, though only two-thirds is required in most other cases. The growing tendency in American cities is to turn more and more toward the mayor or manager, as the case may be, and to make him responsible for the preparation of the budget. Final say, of course, is a council matter. The council alone may borrow money on the city's credit. In a number of cases, however, state constitutions, statutes, or state administrative agencies may fix the maximum amount of indebtedness and prescribe, at least in part, the procedure to be followed. The city council also approves all large purchases and designates the bank or banks to be used as city depositories.

Numerous ordinances are passed in the interest of the city's police power, for only by a well-defined exercise of the police power may the city council aid and further the public health, safety, morals, and welfare. Under such authority the council may zone the city, erect hospitals, regulate the inspection of food, prevent all breaches of the peace, suppress disease, make quarantine laws and require vaccination, abate nuisances, regulate foundries, manufacturing establishments, stockyards and slaughterhouses, inspect meat, and prohibit animals running at large. The list is too long for further enumeration within these pages. All measures of this type are regulatory in nature, imposing restrictions upon individuals in order that the public may be benefited. The individual is not recompensed for any harm resulting from the enforcement of the police power, as occurs when the right of eminent domain is exercised, but he gains through the benefit conferred upon the public of which he is a member. In imposing such restrictions upon persons or their activities, the city council must give consideration to the necessity and reasonableness of its regulation.

Numerous activities are performed by the average city council. It makes certain actions misdemeanors and provides for their punishment. The ramifications attendant upon elections, bond issues, and the granting of public utility franchises are matters for council consideration. Similarly, the exercise of the right of eminent domain, the installation of lighting systems, and the annexation of new territory involve considerable discretion by the governing body. Miscellaneous powers and duties of this nature comprise much of the business of the council.

Charters and statutes usually confer a "catch-all" power upon city councils, and provide that they may do whatever is necessary to make the other granted powers effective or to assure the good government of the community.

In any large city hundreds of ordinances and resolutions are enacted each year. There is no limit fixed on the number that a city council may enact. The only requisites are that the

measures be enacted in good form and not be unreasonable or oppressive in character. As stated above, a city ordinance is the lowest rung in the ladder of legislation; it must not be in conflict with the Federal Constitution, treaties, Federal statutes, executive orders, state constitution, state statutes, or the city charter.

Administrative. The council is primarily a legislative body, but its control over administration is by no means slight. Its part in connection with appointments to and removals from city offices has dwindled somewhat in recent years, but it is still great in a number of cities. In many instances the council is given the power to create positions and make provisions for the appointment of the incumbents. It is not unusual for the council to appoint the members of various boards and commissions, such as the board of equalization, the library board, the hospital board, the planning or zoning boards, the park board, and many others. In other cases the council may act as a confirmation agent, with some official such as the mayor or manager making the appointment.

Many interesting questions arise in connection with the power of appointment. In an Illinois case the city council approved an appointment and then, upon reconsideration, disapproved it. The court held that there was no valid appointment as the ordinary parliamentary rules of procedure applied, and thus allowed the city council to reconsider its action.¹² This case has been severely criticized on the grounds that the appointment was already completed. As an appointment is an executive act, the council was acting in an executive capacity when it approved, and once it acted, its power terminated; thus the appointee should remain in office until removed by the body having the power of removal.¹³

In a Texas case, a city charter required the commission to appoint a chief of police, the police and fire commissioner being required to present his recommendation for appointment to the board. The court held that under this provision

¹² *People ex rel. MacMahon v. Davis*, 120 N. E. 326 (Ill. 1918).

¹³ *Harvard Law Review*, Vol. XXXII (1919), p. 292.

the police and fire commissioner had a right to nominate for the office of chief of police, and that unless he failed to make such a nomination within the time prescribed, the board had no right to appoint a person on the nomination of any other commissioner.¹⁴

The power of removal is also exercised by some local governing bodies. In some instances it is a method of control which a council may exercise over city executive departments. It may be used for the purpose of improving the efficiency of government, but removal for political reasons is to be frowned upon. When removal is effected for political purposes, it has a devastating effect upon the morale of city employees. Consequently, any system which relies upon a demonstration of merit by employees is more to be desired than a haphazard "to-the-victor-belongs-the-spoils" policy.

The council, if it is to perform its function properly, should serve as a watchdog over the administration. This does not mean that it should spend a large part of its time discussing questions relating to the pay of city employees, their hours of labor, or the details regarding the purchase of materials and supplies — all of which is outside the council's proper sphere. It does mean, however, that the governing body may investigate the activities of the various city departments. Its part in administration should be restricted to broad supervision. Some charters or statutes merely state that the proper official may investigate the executive departments, while others provide that the council may investigate the activities of officers and the conduct of the affairs of the various departments. This investigatory power is usually reinforced by granting authority to compel the attendance of witnesses and the production of necessary books and papers, allowing these officials to administer oaths to the witnesses. In case the witness fails or refuses to appear, he may be adjudged in contempt of court and subjected to various penalties.

Often, city councils are permitted to grant franchises covering the use of city streets and other property. These are fre-

¹⁴ *Perett v. Wegner*, 139 S. W. 984 (Tex. Civ. App. 1911).

quently given to electric light companies, gas companies, telephone companies, trolley-car companies, air lines, and other businesses requiring the use of city property. City councils also enter into many contracts involving the city, such as providing for the erection of public buildings or the buying or selling of city property, thus exercising administrative powers of considerable importance.

The council is concerned with all city activities. The determination of the broad general policies to be followed by the administrative agencies of the city surely is a proper function for the elected representatives of the people to perform. This is an exercise of legislative power. The council's function is to oversee administration, but not to become hopelessly involved in the details of the administrative process. It should never become immersed in a labyrinth of trifling affairs which only a competent administrator can dispose of efficiently. The council's primary duty is policy-making, but not executing policy. The latter is an administrative function. No council will be able to perform its true function unless it recognizes and heeds these distinctions. The modern trend is away from the exercise of administrative power by city councils. Particularly is this true in our council-manager cities.

We need to build up more trust in our legislative bodies. No doubt one of the soundest and most constructive movements in the improvement of our city government today is the rehabilitation of our representative bodies. However, every effort should be exercised to prevent members of the legislative body from exerting any pressure upon administrative officers contrary to general legislative provisions or to the requirements for proper administration.

The Mayor



THE mayor is ordinarily regarded as the chief executive officer of American cities. Although the title of mayor is the preferred form, it is not universally used, for the chief executive may be designated as chairman, president, or mayor-commissioner. The title in this country depends somewhat upon the type or form of government adopted by the particular community.¹ In mayor-council government the chief executive officer is always spoken of as mayor, and since a majority of our cities employ this form, our discussion will largely be confined to a treatment of the executive in the mayor-council form.

The mayor-council plan of government in this country originated in the colonial period, although its roots reach back to Great Britain. In the mother country the position of the mayor was one of great power and influence, but in colonial America the town or borough council was often the chief administrative body. The mayor was in no case elected by popular vote, but in most instances was appointed by the governor, save in those rare cases when he was selected by the council. He received no pay. He held office for one year, though cases of reappointment were frequent. The charters granted during this early period conferred few powers upon him. He presided at council meetings, but possessed neither

¹ In England the office is held by a Lord Mayor, in Scotland and France by the Provost and *Maire*, while Burgomaster and *Alcalde* are common in Germany and Spain respectively.

the veto nor appointing power. Often he was an officer of some prestige socially and politically, depending largely on his personality. It was not uncommon for him to be a man with experience in municipal affairs and one who frequently was something more than a dignified figurehead.² The office itself did not develop to one of importance prior to the adoption of the Federal Constitution. Its failure to do so may be traced, in part at least, to the absence of the mayor's appointing power, to the want of a complex municipal life, to the active participation of the municipal council in borough administration, and to the failure of the mayor to exercise fully the judicial power which he already possessed.³

After the Revolution, power began to shift into the hands of the mayor. No longer was he appointed by the governor. New York, for instance, transferred this power to the State Executive Council, and most other states soon placed upon their municipal councils the responsibility of selecting the mayor. The new charters of Philadelphia and Baltimore of 1796 and 1797 both provided that the mayor be chosen by an electoral college. He was selected for a two-year term, was given a veto over acts of the council, a salary was provided, and only property owners were eligible for the office. In 1821 New York amended her constitution to provide that the mayor be selected by the common council. This made the transition from the state-appointed mayors of the colonial period to the locally chosen mayors complete.⁴

From a council-selected mayor the next step was direct election by popular vote. The charters of Boston and St. Louis, granted in 1822, provided for the popular election of the mayor; so did those of Detroit in 1824, Philadelphia in 1826, Baltimore in 1833, and New York in 1834. But popular election of the mayor did not mean a speedy increase in his powers. This was to require much time. For the most part, administrative functions went from council committees to

² J. A. Fairlie, *Municipal Administration* (New York, 1910), p. 74.

³ Charles M. Kneier, *Illustrative Materials in Municipal Government and Administration* (New York, 1939), p. 166.

⁴ See Fairlie, *op. cit.*, Chapter V.

popularly elected officials — a natural outcome of the Jacksonian era. When this proved unsatisfactory, the next step was to provide that administrative officials be appointed by and made responsible to the mayor. This occurred about 1850. At first this power was made subject to confirmation by the council, but toward the latter part of the century all checks on his appointing power were removed in some cities. Likewise, the late nineteenth century witnessed an increase in the mayor's term of office and salary, and he became a real factor in budget making. While this development was not uniform throughout the United States, it did mean often that the mayor became in fact the city's chief administrator.

SELECTION, QUALIFICATIONS, TERM OF OFFICE, AND REMOVAL

The American mayor in mayor-council governed cities is everywhere elected by direct popular vote. Candidates are nominated by the same procedure as is provided by the various cities for the nomination of other elective officers. Since there are no unique features regarding mayoral elections, and as municipal nominations, elections, political parties, and political organizations have been discussed in preceding chapters, there is no need for a consideration of these matters here.

In order to be elected mayor, an individual must in all cases be a qualified voter of the city. In some instances there are residence requirements which usually vary from one to five years, and often a minimum age is required, such as twenty-one, twenty-five, or thirty years. In a few instances prospective mayors may be required to be property owners, and sometimes it is necessary that they have paid all debts and taxes due the city. Various cities combine one or more of these requirements; therefore, it is impossible to set up a generally applicable standard of legal eligibility.

For one desiring to become mayor, the extralegal or practical qualifications are perhaps more important than the legal ones. Usually the mayor must be an important cog in the

dominant political machine. He must have demonstrated his ability and willingness to serve the party organization. In addition, he must be acceptable to a large number of interests. The business enterprises, the utility interests, and the labor organizations all must look with favor, or at least without disfavor, upon his candidacy. At times inconspicuous men have been chosen, chiefly because they had no powerful political enemies. A more distinguished person might well have more friends, but at the same time he might have antagonized a number of powerful political interests. In securing any elective office, personality and ability to appeal to the masses are very important assets.

Not often have our mayors previously served the city in an official capacity. Frequently it is easier for one to attain prominence in his community by holding a position other than that of a councilman or a city administrative officer. Some of our mayors, especially those of our large cities, have obtained their training in state or national politics. Others are local business or professional men who have had little or no experience in government. In most cases it is necessary for them to have been active in state and city party organization.

Mayors cannot be thought of as conforming to a type. Some are local political bosses, while others take their orders from the bosses. Some are active or retired businessmen. Again, there are those who might be termed reform or progressive mayors; and finally, there is the type which is frequently labeled the "political sport." In any case, most mayors love the limelight.⁵

⁵ For some interesting reading on the activities of mayors see: H. F. Pringle, "Portrait of a Mayor-at-large," *Harper's Magazine*, Vol. CLVI (February, 1928), p. 312; Joseph P. Harris, "Daniel W. Hoan of Milwaukee," *National Municipal Review*, Vol. XVIII (September, 1929), p. 549; T. G. Goos, "James M. Curley of Boston," *National Municipal Review*, Vol. XV (May, 1926), p. 253; and Joseph McGoldrick, "Jimmy Walker," *National Municipal Review*, Vol. XVII (October, 1928), p. 566. A good series of articles on mayors appeared in the *National Municipal Review*, beginning in March of 1926 and ran through September, 1929. In addition see J. T. Salter, ed., *The American Political Scene* (Chapel Hill, North Carolina, 1938), article on Mayor LaGuardia by Paul Kern, and Harold Zink, *City Bosses in the United States* (Durham, North Carolina, 1939), Chapters XVIII-XIX.

Most of our cities elect their mayors for either a two- or a four-year term. In the great metropolitan centers the latter is more common. The smaller communities still show a fondness for the two-year term. While neither the three- nor the one-year term is usual, they are not unheard of; nor is it unusual for a mayor to run for re-election to succeed himself. The trend for a number of decades has been toward longer terms. Seldom, if ever, is the mayor's term shortened.

Ordinarily, mayors may be removed from office for official misconduct, willful violation of any ordinance of the city, habitual drunkenness, incompetency, and such other causes as may be prescribed by the ordinances of the city. When an actionable complaint is made against the mayor, it is usually presented to the city council, which files it and causes the mayor to be served with a copy. A day of trial is set, and notice is given to the mayor and council to appear upon that day. The council constitutes a court to try and determine the complaint against the mayor, and the members select one of their number to preside during the trial. An extraordinary majority of the members of the council must, as a rule, approve the removal. A number of cities provide that a mayor automatically loses his office when convicted of a felony. In some states the governor has the power to remove mayors for malfeasance or misfeasance in office, and occasionally the court is given this authority. A great number of city charters provide for the removal of the mayor by recall.

The methods provided for filling vacancies in the office of mayor vary. It is usually provided that the vacancy be filled by special election unless the period remaining is short. In Texas, for instance, when a vacancy occurs in the office of the mayor in general law mayor-council cities a new election must be ordered by the city council. In the general law commission cities, if the mayor dies or resigns, the commission fills the vacancy by appointment. When, however, a vacancy occurs in the position of mayor and one or two commissioners at the same time, the vacancies are filled by a special election called by the county judge. In charter cities there are two

methods whereby vacancies may be filled: appointment by the governing body and special election. Frequently, when a special election is necessary, the mayor pro tem occupies the position of mayor in the interim.⁶ In some states all vacancies are filled by the council, while in others a member of the council or some other city official succeeds the mayor in case of a vacancy. In Indiana, it is the city comptroller.

The mayor's salary may be fixed by state statute, charter provision, or city ordinance. It is generally provided that this salary may not be changed during an incumbent's term of office. Mayors' salaries now range from twenty-five thousand dollars down to nothing. New York tops the list of all American cities with \$25,000, Boston pays \$20,000, and Chicago and Philadelphia each pay \$18,000. A great number of our larger cities provide annual salaries ranging from two to ten thousand dollars. As a rule, in cities where the mayor is expected to give his entire time to the duties of his office, the salary is large enough to enable him to be financially independent. In small communities or in cities where the mayor's duties are very light, his stipend is often little or nothing.

In a few rare cases an official residence may be furnished the mayor. It is far more common to provide him with an official car and to furnish him with an allowance for entertaining and for travel. In view of the demands made upon our mayors, certainly it cannot be said that their salaries are excessive.

POWERS OF THE MAYOR

The powers of the mayor may be classified very conveniently under the following heads: administrative, legislative, and judicial. It should be recalled, however, that in every instance much depends upon the form of government in existence, the prevailing statutory and charter provisions, and last, but not least, the personality of the man who is selected for the office. For the most part, our discussion here will treat of the mayor's powers in the mayor-council form of city government.

⁶ *Municipal Officials in Texas*, Bureau of Municipal Research, Municipal Studies No. 13 (Austin, Texas, 1939), pp. 66-67.

Administrative. At the expense of the governing body, the administrative aspect of municipal government is gaining in ascendancy. The administrative power of the mayor extends to all phases of city government, and by means of this influence he is able to make every municipal activity feel the force of his position. There are three aspects of the mayor's administrative relationship to the other municipal officials: The mayor may advise, supervise, or actually participate in the particular activity.⁷ For instance, in the latter capacity he has the power to appoint and remove certain officials and employees, investigate departmental records and acts of various officials, and often serves as a member of many influential boards and commissions. The appointing power is probably the most important administrative power possessed by any mayor. By its use he is able to strengthen his own position and to manage and supervise city administration.

The extent of the mayor's appointing power varies, depending upon whether or not the city has strong or weak mayor government. Where the strong mayor plan exists, council confirmation is not necessary. Here the mayor's selections are subjected only to civil service regulations, in case these exist, to party considerations, pre-election promises, and other practical limitations. In the weak mayor plan it is necessary for the council to confirm the mayor's appointments. The necessity of confirmation by the governing body has a tendency to weaken the mayor's control over administration, as it places a very effective weapon in the hands of the council, often allowing it to dictate appointments. In commission-governed cities there is some justification for the lessening of the mayor's power, since the theory here installs the mayor as merely the first among equals. Some city charters allow the mayor to nominate the same individual but twice, and if confirmation is refused both times, he must nominate another candidate. In other cities provision is made that if the council fails to confirm by a majority vote, any member of the council

⁷ Russell M. Story, *The American Municipal Executive*, University of Illinois Studies in the Social Sciences, Vol. VII, No. 3 (September, 1918), pp. 74-76.

may nominate some other person for the position under consideration. Although not a prevalent practice, the governing board is allowed to appoint some of the city officials in some instances. In the cities with a manager, that official is usually given the appointing power, although usually confirmation by the governing body is required.

Perhaps as important as the power to appoint is the power to remove. In a few cities the mayor is given absolute power to remove at will. Naturally, this does not apply to employees holding positions under the merit system. It is far more common for the mayor to be given the authority to dismiss those officials he appoints with the consent of the council. New York City is an example of a city which gives the mayor complete power to remove all departmental heads. In Chicago the mayor must submit his reasons to the council, and the governing body by a two-thirds vote may override his action. A very common practice is to limit the power of the mayor to removal for cause only and to require him to give his reasons for taking such action in writing, thus affording the person concerned the opportunity for a written reply or to require that a public hearing be held before a final decision is rendered. Such well-meaning provisions, however, often cause the removing agent to hesitate before taking action, thus leaving many an incompetent in office. On the other hand, it has been said that the publicity attendant upon the power of removal is the best guarantee of its proper exercise.⁸ The generally accepted view is that the mayor should be given complete freedom in appointing and removing his subordinates, and judging from some of the more recently adopted charters, the trend is in this direction.

As an additional means of control designed to insure efficient operation of the city government, a power of investigation is frequently lodged in the chief executive or committees appointed by him. When the investigatory power is granted by charter, the virtually universal rule allows the initiating agent to compel the attendance of witnesses and the produc-

⁸ *Ibid.*, p. 92.

tion of books and papers. Furthermore, most charters expressly allow the same officials to administer oaths to these witnesses. If a witness fails to appear, he may be adjudged in contempt of court and in most instances be subject to specific penalties. This power, however, is rarely used, but on some occasions is employed as a threat rather than as an actual direct method of control.

Another control or form of supervision exercisable by the mayor is the conference between departmental heads and supervisors. A round-table discussion demonstrates the value of the adage that two heads are better than one. Conducted upon an informal level, such a discussion may lead to definite and concrete results. Employees have an opportunity to state their grievances, and the executive is enabled to suggest reforms within the departments under his control. The mayor may expect better co-operation from his employees and subordinates by utilizing the conference method, and such action should be encouraged, as much more can be gained through personal contact than may be obtained through the use of the currently popular interdepartmental communication or memorandum.⁹

Similarly, the mayor may require reports from various officials in the city concerning the status of business within the particular departments. In this manner he can maintain a broad outlook upon the *modus operandi* of the whole unit. A series of communications without any system or order, however, is no better than a total lack of informational sources; there must be a specialized and functional organization in the manner of reporting, which will depend upon the initiative, foresight, and creative ability of the executive and his subordinates.

Many mayors discover that excessive time must be devoted to various boards and committees. Civic groups frequently seek the support of the mayor by making him a member of

⁹ Some cities have installed an interdepartmental communication system, more commonly used in private business offices, and have found its use to be adequate for the needs of the present-day city hall.

committees. This type of activity may become so burdensome as to interfere with other and more important municipal functions. Some cities have charters providing that the mayor shall be ex officio chairman of various committees. Such provisions place the mayor in a salient position whereby he may exercise tremendous pressure upon the legislative body of the city and thus to a great degree influence the policy-forming group. Russell Story has suggested that the same beneficial results may be obtained by giving the executive more complete appointing power, because in that manner he may give needed expert supervision to a particular committee and at the same time maintain his own control over it.¹⁰

The power of the mayor to approve numerous forms, measures, and activities constitutes another check on administration. On many occasions his signature is required upon such instruments as bonds, notes, warrants, and the like. Again, his approval may be necessary in connection with legislation when he must acquiesce in certain measures.¹¹

One of the most difficult charter provisions to analyze is that requiring the mayor to enforce the laws of the state and the ordinances of the city. Statements such as the following are common in many charters: the mayor shall be active at all times in causing the laws and ordinances of said city to be duly executed and put into force. Furthermore, he may be given authority to close any theater, ballroom, or other public place in case of riot or any unlawful assemblage, and may order the arrest of anyone violating the laws of the state or ordinances of the city in his presence. In practice he has much to do in determining when, where, and to what degree the pressure of law enforcement is to be applied. Often the mayor institutes traffic safety campaigns, public health campaigns, and various other community activities.

The field of finance offers the mayor another opportunity for the exercise of administrative supervision and control. In many cities he has been made responsible for the prepara-

¹⁰ Story, *op. cit.*, p. 100.

¹¹ See the section on legislative powers.

tion of the annual budget. The procedure utilized naturally varies, but many charters provide that the heads of departments make reports to the mayor, showing the expenses for the past year and/or the estimated expenses for the coming fiscal year. The degree of council control over the budget as prepared by the mayor also varies greatly from city to city. In many instances the council may make such changes as it sees fit, increasing or reducing items at will. In other cases distinct limitations are placed upon the council in considering the budget as presented by the mayor. In Boston the council may reduce or strike out items, but it may not increase them, and any changes it makes are subject to the mayor's absolute veto. Chicago is typical of what occurs in a number of cities; here a Council Finance Committee frames the budget, but after passage by the council, it must be sent to the mayor for his approval. Other cities vest the power of framing the budget in the hands of a board, of which the mayor is frequently the chairman. In New York a three-fourths vote is necessary to override the mayor's veto of budget items, although only two-thirds is required for other matters. The growing tendency is to increase the mayor's budget power, not only in its preparation but also in its execution.

In some communities the mayor is required to make monthly financial reports to the governing body in order that the receipts and disbursements for the preceding month may be studied by the council. However, outside of budget making, it is rather unusual for the mayor to have very extensive financial powers.

The miscellaneous duties of the mayor, such as certifying charters and amendments to the secretary of state, issuing permits for parades, routing parades of dignitaries, and lending his name to various enterprises, call for the dexterity of a funambulist. He soon learns that the citizen has an exaggerated idea of his powers. To many he is the "father of all," able to ease every sorrow and right every wrong.

Legislative. The mayor can exert a great amount of influence in the legislative processes. He may actually participate

in the enactment of legislation, or he may exert extralegal power to persuade or influence the governing body in its deliberations. In many small cities he presides over the city council, but in our larger ones it is seldom that he performs this task. As a rule, the mayor has the power to call special sessions of the city council. When a special session is called, the council is usually limited to a consideration of the questions for which it was called. However, since regular meetings of the council are held so frequently, the power to call special sessions is seldom used.

Messages to the city council is another way by which the mayor may influence municipal legislation. He may address the council either in person or by means of a written message; and if he wields considerable influence, these messages may play a great part in the formulation of the legislative product. A courageous and far-seeing mayor may do much to bring about good government in any community.

If the charter does not give the mayor the legal right to introduce ordinances, he usually can persuade a council member to perform this service for him. This offers the mayor a very effective means of influencing legislation. In fact, he may at times largely control legislative policy through his power over appointments and other patronage. Members of the council desire certain favors for themselves and their supporters; in return for such special consideration they are often willing to support the mayor in his desire to have certain bills passed.¹²

Practically every mayor enjoys the veto power. This may range from the absolute veto, where the action of the mayor is final, to the suspensive veto, in which a simple majority of the council may override it. A very common practice is to require a two-thirds, three-fourths, or three-fifths vote of the council members to override the mayor's veto. In some cases the mere intimation of a veto may be all that is needed to deter the council from taking action not in accordance with

¹² Story, *op. cit.*, has an excellent discussion of the relations between the mayor and the council.

the mayor's wishes. During recent decades a number of cities have granted the mayor the item veto in case of appropriation bills. In cases where he is required to accept or reject a proposed ordinance in entirety, many unwise "riders" become law. Rather than run the risk of tying up the whole administration for lack of funds, the mayor usually affixes his signature. Such "riders" are rapidly going out of fashion.

The use of the veto varies widely. Some strong mayors who are unable to carry their councils with them may use it frequently, while other equally powerful mayors who control their legislative bodies may rarely do so. A weak mayor will ordinarily make little use of it.

Harmonious co-operation from the council is a very important factor in carrying out the powers of the mayor. In fact, it is as important, or more so, than the legal powers which the city charter or state statutes may provide. In this relationship between the mayor and the members of the council, the human element is of great importance. The mayor must gain the respect of his enemies as well as his friends. He must possess the ability to meet and mingle with people. It is necessary that he be recognized as a leader. He must know at all times how to meet various situations, as well as possess enough social consciousness and intelligence to solve problems so as to benefit all concerned.

It is not unusual for the mayor to take part in state and national legislation, especially if he is mayor of one of our large metropolitan centers. Frequently, he may cause or prevent the passage of measures which will work good or harm to cities by appearing before legislative committees and other legislative bodies in the state and national capitals. A powerful mayor of a large city becomes a great influence in the formulation of legislative policy, whether it be on the local, state, or national level. Whether or not he becomes such a force will largely depend upon the personality of the man.

Judicial. The late F. J. Goodnow, in speaking of the judicial powers of the mayor, said they are "a relic of the past, rather

than a forecast of the future.”¹³ In the colonial period the mayor devoted much of his time to judicial matters. He served as justice of the peace, presiding officer of the borough court, and sometimes as a member of the county tribunal. Today his position as a judicial officer is a declining one, due no doubt to the development of an independent court system and an increase in the mayor’s administrative duties.¹⁴ In some of our smaller cities he still acts as judge of the corporation court, and in others he possesses the right to appoint the city magistrate. Rather frequently he is given the power to remit fines and penalties and to release individuals imprisoned for violation of city ordinances.

CONCLUSION

In the public eye the mayor often stands as the civic leader of the community. By and large, the people place confidence in their mayor and look to him for guidance in city affairs. This adds to the prestige of the office as well as to the powers he enjoys. At times he may wield public opinion so as to influence a recalcitrant council to follow his lead, or mold public opinion in order to obtain benefits for the community.¹⁵ On occasions the mayor may realize the necessity for a certain improvement within the city, whereas the council may be definitely opposed to it. At this stage, the mayor may take his case to the people, or he may formulate an educational campaign designed to bring pressure upon the council.¹⁶

The mayor is the formal representative of the city. He represents it at various associations, such as the United States Conference of Mayors and the state municipal association, and he frequently officiates at numerous public ceremonies. When

¹³ F. J. Goodnow and F. G. Bates, *Municipal Government* (New York, 1925), p. 234.

¹⁴ See Story, *op. cit.*, p. 107.

¹⁵ Daniel W. Hoan, “The Powers of a Mayor,” *Marquette Law Review*, Vol. 3 (1918), p. 40.

¹⁶ This type of activity on the part of the mayor in a city-manager city will oftentimes cause him to become a considerable force in the community. His power, although extralegal, is very active and tangible, and represents a force to be considered by his opponents.

conventions, clubs, and out-of-town organizations come to town, the mayor is frequently expected to act as official host. Regardless of his personal desires, he is virtually forced to take part in all fraternal organizations possible, greeting friend and foe alike. He must develop whatever talent he possesses as a speaker, for he is constantly called upon to address all kinds of organizations and to lead many informal discussion groups. This activity on the part of the mayor is just as much a part of his daily routine as the signing of contracts on behalf of the city. The successful mayor cannot afford to avoid such activities for fear of offending his supporters or affording his opponents arguments against his re-election. Occasionally a mayor develops skill as a showman. "Big Bill" Thompson of Chicago was of this type. He did not often appear in public, but when he did, he put on a good show.

Receiving callers is one of the important duties of every mayor. Many pride themselves on keeping their door open to all comers. In a large city such a habit requires a great deal of time, patience, sympathy, and physical endurance. The callers' business may be very trivial, perhaps it needs only the attention of a clerk, but they want to see and talk with the mayor himself. If they are turned away, they are apt to take offense. The mayor who excuses himself entirely from callers on the ground that he must give himself to more important matters is likely to be lacking votes on the next election day. He must decide early in the game whether he wants to be a good administrator or a good fellow. It is difficult to be both.

In many instances the mayor is but one cog in the vast machinery of the city's government. Yet in the popular imagination he is omnipotent. When city and civic affairs go well, most of the honor and glory are his; but when they take a turn for the worse, his is also the responsibility. Surely if this be true, his power should be made commensurate with this responsibility. It is always well to remember that as long as the city's chief executive is popularly elected, his greatest responsibility will be to the party and its leaders.

In mayor-council government the mayor is both the administrative and the political head of the city. As long as this is true, concentration of responsibility alone will not get the desired results. There must be an effective means of checking on this concentration of responsibility. For this reason, council-manager government has proved to be superior to the mayor-council form in many cases. The indirect method of choosing the executive and holding him responsible through an elective council is proving to be very effective.

The City Manager



THE two preceding chapters have been devoted to the council and the mayor. Due to the ever-increasing interest in council-manager government, it is believed that a volume treating of American city government and administration should devote some space to the city manager. It is for this purpose that the present chapter has been written.

A PROFESSION

City managership is today a profession. Students in colleges are asking how to prepare for it, and many cities and a few counties are seeking managers with experience. City managers have developed the earmarks of a profession: they possess a definite body of systematized facts, experiences, and principles in the management of public affairs.¹ The manager is an expert and realizes the need for experts in the conduct of the city's affairs. The appointment to city managership definitely presupposes certain qualifications, of which a very important one should be a realization of the fact that he is a member of a group recognized by the public as having developed definite standards of practice and ethics.

Agitation for a code of ethics for managers was initiated in 1924 by Mr. F. D. Danielson of Hinsdale, Illinois. A committee was appointed for the purpose, and its report was presented at the annual conference of The International City

¹ J. Bryan Miller, "The Professional Heritage of the City Managers," *Public Management*, Vol. XXI, No. 11 (November, 1939), pp. 323-326.

Managers' Association held at Montreal in 1925 and adopted without formal discussion.² At the twenty-fifth annual conference of the Association, held in Boston on September 29, 1938, the first code was revised. The present code is as follows:

1. No member of the profession seeks or accepts a position as city manager unless he is fully in accord with the principles of council-manager government and unless he is confident that he is qualified to serve under these principles as city manager to the advantage of the community.
2. The city manager has a firm belief in the dignity and worth of the services rendered by government and a deep sense of his own social responsibility as a trusted public servant.
3. The city manager is governed by the highest ideals of honor and integrity in all his public and personal relationships in order that he may merit the respect and inspire the confidence of the administrative organization which he directs and of the public which he serves.
4. The city manager believes that personal aggrandizement or personal profit secured by confidential information or by misuse of public time is dishonest.
5. The city manager is in no sense a political leader. In order that policy may be intelligent and effective, he provides the council with information and advice, but he encourages positive decisions on policy by the council instead of passive acceptance of his recommendations.
6. The city manager realizes that it is the council, the elected representatives of the people, which is entitled to the credit for the fulfillment of municipal policies and leaves to the council the defense of policies which may be criticized.
7. The city manager keeps the community informed on municipal affairs but keeps himself in the background by emphasizing the importance of the facts.
8. The city manager, in order to preserve his integrity as a professional administrator, resists any encroachment on his control of personnel, insists on the exercise of his own judgment in accomplishing council policies,

² Leonard D. White, *The City Manager* (Chicago, 1927), p. 283.

and deals frankly with the council as a unit rather than secretly with its individual members.

9. The city manager handles all matters of personnel on the basis of merit. Political, religious, and racial considerations carry no weight in appointments, salary increases, promotions, and discipline in the municipal service.
10. The city manager curries no personal favors. He is the administrator for all the people and handles each administrative problem without discrimination on the basis of principle and justice.³

C. A. Dykstra once said:

An opportunity to serve people is the highest honor and responsibility a man can seek, and the greatest reward a man can receive is a public decoration — a public job well done. The profession of management bids fair to become one of the highest in American life.⁴

Another element of a professional group is an association comprising a substantial proportion of the membership of the profession. As we have seen in an earlier chapter, The International City Managers' Association, in which far more than a majority of the present managers hold membership, was first organized in 1914. While standards of admission to the profession are not so rigorous or exacting as in some others, nor the standards of ability, achievement, or loyalty to the ideals of the profession so clearly defined as in the case of some, much progress has been made.⁵ As a matter of fact, any detailed test for membership is most difficult to devise. The result is that the managers, for the most part, have followed the time-honored Anglo-Saxon custom of formulating the rules as the cases present themselves.⁶

³ "The City Manager's Code of Ethics," *Public Management*, Vol. XX, No. 10 (October, 1938), p. 304.

⁴ "The Managerial Profession — A Challenge," *ibid.*, Vol. XXV, No. 10 (October, 1943), p. 285.

⁵ According to the *Constitution and By-Laws of The International City Managers' Association*, Art. VII, Sec. 2, "Any person who is the administrative head of a municipality appointed by its legislative body; who has served in that capacity for at least three years and whose professional conduct conforms to the code of ethics of this Association shall be eligible to this membership."

⁶ See White, *op. cit.*, p. 280.

QUALIFICATIONS

For the most part, few city charters list in any detail the qualifications for the position of city manager. Most of them state that the appointee must have "executive and administrative ability" and dismiss the subject. Others state that the manager shall be competent and that political belief should not be considered. Many small cities require "practical engineering experience." Some cities give preference to men who have managed other cities and especially cities comparable in size, while others require that he have at least one year of special training.

While it is not easy to specify exact qualifications which a competent city manager should possess, there are certain guideposts which the council might do well to consider when seeking one.

Age and Education. Many of our smaller cities are now being very successfully managed by comparatively young men. For a large city a more mature man is probably desirable. More and more is it coming to be recognized that he who aspires to enter the city-manager profession should first have broad university training in the social sciences. In addition, it is highly desirable that he take some courses in engineering, law, and business and public administration. Formal training in municipal administration is also a valuable asset. It is true that colleges alone cannot train men so as to guarantee their success as city managers any more than they can for the other professions; at the same time, training is valuable and a number of our universities are offering graduate courses for those who wish to enter the field.

Of the 609 city managers in service at the end of 1945, 36 per cent had at least one college degree and an additional 29 per cent had attended college or taken extension courses. The number of managers holding engineering degrees increased from 22.9 per cent in 1944 to 23.4 per cent in 1945. Those holding other degrees decreased slightly.⁷

⁷ *The Municipal Year Book*, 1946 (The International City Managers' Association, Chicago, 1946), p. 524.

Serving on the staff of one of the better equipped governmental research agencies, being an intern under some competent city manager, serving as head of a department of city government such as finance or public works, or perhaps serving as an assistant to the city manager in a large city all afford valuable training. Some of our leading city managers today have obtained their training in one or more of these ways.⁸

Experience. The most valuable experience to seek in a prospective city manager is that of having served successfully as a manager in a city comparable to the one for which he is being considered. An investigation of the selection of council-manager cities shows that the occupation of more than one-half of those appointed to manager positions has been that of engineer. Engineers are often chosen by councils because they believe that a majority of the functions performed by the city are of an engineering nature. Again, in the early days of council-manager government, engineers were considered to be the best qualified persons to serve as managers. The result has been that they have tended to promote their own kind. There is sometimes a financial advantage in having an engineer for a city manager in small cities where the manager serves at the same time as city engineer or as head of some other department. A note of warning should be sounded, however, that the "works" side of government not be emphasized at the expense of the city's financial and social welfare problems. Where the general supervisory duties are sufficient to keep the manager occupied without assuming charge of any particular department, there seems to be no need for the manager to have engineering training and experience. In a large city especially, the manager should have had broad executive experience in addition to special training or experience.

In answering the question as to where our city managers come from, let us quote from *The City Managers' News Letter*:

135 city manager appointments were made in 1945. Of these, 76 per cent had had previous public administrative

⁸ Chester F. Lewis, "Training for Efficiency in City Management," *The American City*, Vol. LV, No. 11 (November, 1940), pp. 37-38.

experience: 17 were promotions from within the city; 32 were from administrative positions from another city; 25 were manager promotions from another city; another 25 were managers returning to manager positions, many from war leaves; and 36 entered from non-governmental positions or their background is unknown.⁹

Residence. Few council-manager charters make residence a qualification and a number of them specifically state that the manager need not, when appointed, be a resident of the city. While pressure is frequently strong upon the council to choose a local man, experience demonstrates in a number of instances that there are decided advantages in choosing an out-of-town manager. For instance, a manager, having served well in other cities, brings with him the benefit of previous experience.

It is sometimes argued that a local man will be acquainted with the city and its people, which will serve him in good stead. On the other hand, it may be just as strongly contended that a competent out-of-town manager may quickly obtain all the knowledge of the local situation that is needed. As a matter of fact, there is much to be said for any administrator who is in a position to start his administration without being suspected of having friends to reward or enemies to punish. A local man is more likely to have pressure brought upon him in making appointments and letting contracts. Again, a local man often finds it difficult to make changes; he lacks intercity experience; he is often wanting in a broad point of view.

Approximately 50 per cent of the city-manager appointees in 1945 were nonresidents at the time of appointment, which is a somewhat higher percentage than that for 1944.¹⁰ While theory and practice both strongly favor the nonresident, a council should not refuse to consider a man having the requisite training and experience merely because he is a local product.

Personal Characteristics. W. L. George, the late English novelist, once described the English civil servant as:

⁹ *The City Managers' News Letter*, Vol. XXII, No. 4 (February 15, 1946), p. 1.

¹⁰ *The Municipal Year Book*, 1946, p. 523.

... a man of oil, silver and steel, capable of every delay and grace, suggestive of every sympathy and capable of none, incapable of a lie, always capable of an evasion, determined in public utility, yet not blind to private advancement, singularly addicted to justice, yet unable to suffer mercy. Not a man but a theorem, a diagram, a syllogism.

In many respects a city manager must be such an individual. He must possess such personal qualifications as honesty, forcefulness, tact, industry, loyalty, and a sense of humor. In such executive traits as ambition, courage, industry, initiative, forcefulness, open-mindedness, organizing ability, social sensitiveness, ability to judge people, to co-operate, and to reach decisions, he must not be lacking. In addition, he must be familiar with the general technology involved in the operations under his jurisdiction, and in some instances he must be a specialist in certain branches of technical knowledge.

A city manager should be a good executive. Recently the American Management Association listed the qualities of a good executive as follows: "(1) Character; (2) orderliness in mind and in action; (3) poise and control of temper; (4) respect for time, its value and its use; (5) ability to assume responsibility; (6) to co-operate; (7) to take and give constructive criticism; (8) to compromise when necessary; (9) a sense of humor; (10) broadmindedness; (11) action without procrastination; (12) wisdom to understand that it is no sign of weakness to seek help from competent sources; (13) clarity of thought; and (14) good judgment."¹¹ Fortunate would be the city able to find such an executive.

No doubt it will be impossible to secure a man in whom all of the above characteristics are present at their maximum. It is very doubtful if such a man exists. All that any council can do is to obtain a person having the best possible combination of all these virtues.

¹¹ *Assessors' News Letter*, National Association of Assessing Officers, Vol. II, No. 2 (February, 1945), p. 13.

TENURE AND SALARY

In general the term of office of a manager in a given city has been relatively short, but over a period of two decades or more it has gradually increased. The average length of service of the 609 managers in service at the end of 1945 was seven years and ten months. For the past three years this figure has tended to increase slightly. In 1920 the average length of service was two years and one month, and in 1930 it was four years and eleven months. Of the 609 managers serving at the end of 1945, 12 had served more than a quarter of a century, 188 had had more than ten years' experience, and 299 five or more years' experience.¹²

The relatively short term of office may be explained in several ways. Some of those trying the manager's profession were poorly qualified for the work; thus they retired soon. Others who showed aptitude for the work were "snapped up" by private business firms at substantial increases in salary. Again, due to the expanding number of manager cities, frequent promotions to other cities have served to shorten the term of office in a given city. Finally, the war period only increased the demand for those in the manager profession. In 1945 ninety managers resigned, died, or were removed from office. Of this number, one went into the military service, two took Federal positions, twelve were employed by state or local governments, ten died, two were unemployed, five retired, forty-one entered private business, four accepted positions with governmental organizations, and the occupation of twelve is unknown. The total number of managers separated from the profession was sixty-one in 1940, ninety-two in 1941, seventy-five in 1942, eighty-seven in 1943, sixty-four in 1944, and ninety in 1945.¹³

On the whole, managers are paid salaries larger than those received by other city executives. According to *The Municipal Year Book*, the average annual salary for the manager in cities of 250,000 to 500,000 population is \$15,363; 100,000 to

¹² *The Municipal Year Book*, 1946, p. 524.

¹³ *Idem*.

250,000 population, \$11,249; 50,000 to 100,000 population, \$8,802; 25,000 to 50,000 population, \$7,084; and cities from 10,000 to 25,000 population, \$5,452.¹⁴ By and large, the councils of manager cities have shown no inclination to be penny-wise with the manager's salary. For many men who come into the profession, the initial appointment is a distinct advance in salary. The present trend is upward.

SELECTION OF THE MANAGER

Under council-manager government the council's most important single task is the selection of the city manager. It is of great importance that extraordinary care be used in the selection of a trained man who is "big enough" for the job. A mediocre or unqualified individual may not only prove expensive in the long run, but is likely to bring the council into disfavor with the voters.

While this is all very true, it is not easy, as heretofore pointed out, to specify qualifications for a competent city manager. These often vary with the size and the nature of the city. One thing is certain, however: before selecting a manager, the council should clearly understand his duties and determine the qualifications they seek to find. In addition, the council should make tentative decisions regarding education, experience, and salary.

These things having been done, the council, or a committee representing it, is in a position to go forward with the selection procedure. Realizing this, it is well to remember that more than likely the best qualified candidates are already employed and the council should not depend entirely upon voluntary applications, but should conduct a wide search in other cities. Some managers who might be interested may not make application on their own initiative because of the fear that it might be a reflection upon the city they serve.

The International City Managers' Association keeps a current list of all city managers, and this may be secured by writing the Association. In addition, upon request from

¹⁴ *The Municipal Year Book*, 1946, p. 525.

responsible representatives of the city government, the Association will furnish brief statements concerning the qualifications of a specific candidate. The Association will also list, without charge, in its biweekly *News Letter* any manager vacancy, with details of qualifications and salary which the council supplies. Most state leagues of municipalities are in a position to provide helpful information to those communities desiring managers. Ordinarily, a better manager will be found when the job seeks the man than when the man seeks the job.

A number of city councils rely upon three standard procedures for the rating of candidates: the application form, the personal investigation, and, finally, the oral interview. From the application, information is obtained regarding the candidate's age, education, experience, and writing ability. The personal investigation makes possible a check upon the candidate's honesty and an appraisal of his previous work. This may require a visit to the city where the applicant has served or is serving as manager. In the oral interview, opportunity is given for an appraisal of such personal traits as force, tact, personal appearance, and sense of humor.

When the selection is finally made, the council, if at all possible, should be unanimous in its choice. If this is not the case, it would seem only fair that the manager be informed of the vote on his selection. It might be that he would be unwilling to accept a managership where the vote is not unanimous in his favor. In any event, it is of great importance that the manager and council reach a definite agreement in the very beginning regarding the powers and duties of the manager, the relation of the manager to the council, and of the council to the manager. Most experienced managers insist that such understandings be worked out before accepting the position.

DUTIES

The city manager is an appointive executive. The theory is that the exercise of all administrative authority is concentrated in the hands of the manager, who is at all times account-

able to the council. He provides the council with information and advises it in matters of policy, if the latter so desires. His function is to execute the policies as determined by the policy-making body. It becomes the duty of the manager to install the best principles of administrative organization and practice. He is held directly responsible to the council for the proper co-ordination of all administrative activities under his direction.¹⁵

Although most city charters specify in some detail the duties of the city manager, the fact is that there is no accepted set of duties for a city manager, nor are there "guaranteed" techniques for the solution of administrative problems. While some managers may swear by certain techniques as indispensable tools of management, others will say that they have achieved equal success without these "indispensable" techniques. On the other hand, careful analysis shows that management has certain common characteristics wherever it is found. In general terms, the duties of the manager may be listed as follows:

1. To see that all laws and ordinances are enforced.
2. To exercise control over all departments, and appoint, supervise, and remove department heads and subordinate employees of the city.
3. To make such recommendations to the council concerning the affairs of the city as he may deem wise.
4. To keep the council advised of the city's financial conditions and its future needs.
5. To prepare and submit to the council the annual budget.
6. To prepare and submit to the council such reports as it may require from time to time.
7. To keep the public informed, through reports to the council, regarding the operations of the city government.

The city manager is a busy man. In 1941 The International City Managers' Association conducted a study in which twenty managers kept for one week a daily record of the time

¹⁵ Beginning with the September, 1941, issue of *Public Management*, a series of ten excellent articles has appeared dealing with the methods used by city managers to carry out management functions.

they spent on different activities. An average work week of fifty-four hours was reported on the basis of a six-day week, nine hours per day. The distribution per day was as follows:

Talking with citizens in office and over telephone: 2 hours
 Conferences with department heads: 1½ hours
 Planning current activities and future work: 1 hour
 Handling correspondence: 1 hour
 Formal and informal meetings with city council:
 50 minutes
 Inspecting municipal activities: 50 minutes
 Attending meetings and talking before various groups:
 40 minutes
 Preparing official reports: 30 minutes
 Interviewing candidates for positions: 20 minutes
 Miscellaneous: 20 minutes¹⁶

Most managers know that their work is never done. Most of them feel that there are not enough working hours in the day for them to do the job they would like to do.

RELATIONSHIPS OF THE MANAGER

It is believed that a better understanding of the city manager and his position will be had if a brief discussion is devoted to his relationships.¹⁷ For convenience, these are considered under the following headings: the council, the administration, and the public.

The Council. Every city manager has a number of relationships to maintain. First, he is not only hired, but likewise may be discharged, by the city council. He is responsible to it for the proper conduct of the activities under his direction. He provides the council with information and advice, and at their request he makes his recommendations. He is their technical adviser and consultant. The wise manager realizes that the council should be given full credit for the fulfillment of city policies, and leaves to it the defense of those policies.

¹⁶ "Safeguarding Managerial Time," *Public Management*, Vol. XXIII, No. 9 (September, 1941), p. 259.

¹⁷ For a more detailed discussion of these relationships, see Clarence E. Ridley and Orin F. Nolting, *The City-Manager Profession* (Chicago, 1934), Chapter II; also White, *op. cit.*, Chapters IX, X, and XI.

He is in no sense a political leader; he relies upon the mayor and the council to run interference for him. The mayor, rather than the manager, represents the city on public occasions. The manager should know his council members so well that he is able to appraise their ideas and ideals without the necessity of having them formally expressed. For this relationship to be what it should, the council will see that all its contacts with the administration are made through the manager, and will not permit its members to interfere in the administration of departments or secure information from departmental heads without notifying the manager.¹⁸

There are no doubt occasions when every manager desires to go over the heads of his councilmen and to appeal directly to the people — for instance, when he finds a badly needed program blocked by an unsympathetic or obstinate council. To do so would mean the abolition of the manager plan. He is a technical administrator, not a political leader. The function of the council is to formulate policy; it is composed of the elected representatives of the people. If the manager were to become primarily a policy-determining officer, then he should be elected, and this would be contrary to council-manager government. For manager government to function properly, both the council and manager must recognize their respective duties and functions; each must remain within its own groove, remembering that at all times there must be a spirit of co-operation between them.

Both the manager and the council should appreciate the importance of the mayor's office. It is one of the functions of the mayor to represent the city on all public occasions and to assume the position of leadership in questions of public policy. The mayor, not the manager, is the political head of the city. On the other hand, the council refers administrative matters to the manager, not to the mayor. Both the council and the mayor refer citizen complaints regarding administrative affairs to the manager. A councilman who executes or a city

¹⁸ "The City Manager's Relations with the Council," *Public Management*, Vol. XXIV, No. 2 (February, 1942), pp. 39-45.

manager who legislates violates the accepted principle of council-manager government.

The Administration. The government of any city is generally the largest and the most important business of that city. The manager is the city's chief administrator. Fortunate is he who, when he takes his position, possesses adequate knowledge and experience to control effectively all city departments. If his previous experience has been that of city engineer, it will require much time and patience on his part to learn how to appraise such departments as health, police, or recreation.

The job of the manager is to see that things get done, to marshal and use the available resources to carry out in an efficient and humane manner the program determined upon by the governing body. In council-manager government, the city council decides what is to be accomplished and the manager sees that the work is done. In the words of Clarence E. Ridley:

The city manager's chief responsibility is to take a group of human beings and to mold them into a smoothly functioning administrative organization, capable of accomplishing efficiently and humanely the aims which are set for it.¹⁹

To do this successfully, he must make use of numerous administrative processes and procedures which, for convenience, Mr. Ridley classifies as follows: organization, staffing, planning, financial, legal, training, co-ordination and direction, measurement and control, administrative representation, and reporting.²⁰

In a large city especially, the manager may get along without a detailed knowledge of the techniques used in each department. But in a small city, say of less than 10,000 population, the manager often assumes immediate direction of many administrative functions. Perhaps he will serve as the city engineer, superintendent of the water works, finance and personnel officer, and secretary to the city planning commission. He is in active charge of these and other activities; his

¹⁹ Clarence E. Ridley, "The Job of the City Manager," *ibid.*, Vol. XXVII, No. 9 (September, 1945), p. 259.

²⁰ *Idem.*

problem here is one of operation as well as management. In any event, the more he knows or can learn, the better off he is.²¹ He must keep in mind that in order to be successful, it is necessary for him to merit the respect and inspire the confidence of the administrative organization he directs. It becomes his duty to appoint, direct, and instruct his administrative staff. He does the latter by conferences, discussions, and written regulations. Many times his patience will be tested while waiting for others to grasp and carry out his ideas and instructions. To a great degree, his success as administrative head of the city will depend upon his tactful choosing and handling of the administrative personnel.

On the other hand, the manager must judge whether or not his departments are being efficiently operated. This he may do by the use of a wide variety of methods. Records and statistics are among the most important tools for this purpose. Statistical devices range all the way from budget records and efficiency ratings to measurements of the results of the department's work. In addition to these, many managers rely heavily on personal inspections, conferences with department heads, and surveys and appraisals by outside agencies as a means of judging departmental efficiency.²² Citizens' complaints may be a valuable criterion of effectiveness in the case of services, like garbage and rubbish collection, which come to the direct attention of the citizen.

Since the manager accomplishes things not alone through his own efforts, but also through those of his departmental heads, various individual officers, and other groups, much will depend upon his success in dealing with and managing them.

The Public. As the officer responsible for formulating broad policies for the approval of the council, and the individual who implements the council's policies with specific programs of action, the manager is the logical person to formulate basic public relations policies and to co-ordinate the public relations

²¹ See Herbert A. Simon, "How the Manager Controls Activities," *Public Management*, Vol. XXVII, No. 4 (April, 1945), pp. 105-107.

²² *Ibid.*, p. 105.

activities of the several city departments into a well-balanced program. Every city manager realizes that his success as the city's chief executive will depend in part upon his skill in dealing with the public and the press. He keeps an open door; he avoids unnecessary arguments; he answers his mail promptly and in a friendly manner; and he never speaks in election campaigns, supports a candidate, or identifies himself with any party or faction. When seeing representatives of the press, he urges that proper credit be given to the council, and at all times is careful not to be publicity informant on the council's attitude on public questions. Of necessity much of his time must be devoted to the preparation of annual city reports, to the preparation and presentation of radio addresses, and to giving numerous addresses and talks to clubs, organizations, groups, and fraternal orders. Every city manager bears constantly in mind the necessity of keeping the community informed on municipal affairs and at the same time keeping himself completely in the background.²³

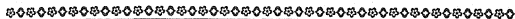
A good public relations policy will create an interest in his city government on the part of the citizen. This development of interest will mean an increasing number of visitors, job seekers, complaints, and telephone calls to the manager's office. In smaller cities the manager will perhaps meet these callers personally, but in larger places it will be necessary for him to assign some public relations duties to subordinates. However, whether the manager or his subordinates handle such business, all visitors must be treated alike, without partiality or favor, and with tact and judgment. Especially is this true in the case of complaints. Careful phrasing of replies to questions in dealing with an irate taxpayer aids the establishment of better city services. Due regard to all problems, whether they arise in the back yard of a department store clerk or on a paved boulevard in front of the house of the richest man in the city, must be paid, giving each the same courteous and efficient attention.

²³ For a comprehensive treatment of municipal public relations problems and policies, see Elton D. Woolpert, *Municipal Public Relations* (Chicago, 1940).

The city manager should inspire the confidence of the public he serves. Honesty, both to himself and in his dealing with others, is an essential prerequisite to public confidence. In council-manager government, it is not within the sphere of the manager's power to dictate public policies or even to urge his own views upon the public when the council reaches an opposite conclusion. But he has, as we have seen, many opportunities for public contacts which he may utilize to stimulate and strengthen public confidence. To do a good job, the manager must keep the public informed on all civic problems and progress, for unless the public is familiar with the activities and standing of its government, much of the effect of accomplishment is lost and public confidence will be neither stimulated nor strengthened.

For the manager, or the individual training to become one, a careful study of the background and experience of such managers as O. E. Carr, L. P. Cookingham (present Manager of Kansas City), C. A. Dykstra, John N. Edy, and C. O. Sherrill will prove stimulating and profitable.

The Forms of City Government



WE HAVE no uniformity of organization in municipal government in this country. There is no such thing as an American type of city government; there is not even a California type, a Texas type, or a Virginia type. If two cities throughout the entire expanse of America have exactly the same form, it is by mere accident. This condition is not so bad as it might appear, however, for cities with unlike forms of organizations may be administered very similarly. Also, in method of administration and in management practices there is more uniformity in American city government than first impressions might indicate.

We have done more experimenting in the field of municipal government than all of the remaining countries of the world combined. Why has this been the case? Americans from colonial days to the present have been noted for their ingenuity. Some of this ingenuity has been demonstrated in our constant attempt to improve the machinery of our city government. Every state legislature has been dealing with cities, but not until comparatively recent years has there been any common theory or knowledge to guide them. Consequently, cities have been given much freedom in organization. Recent years have brought a rapid increase in municipal functions and many different methods of performing these functions have necessarily been developed. Experimentation, however, is not to be deplored, for through it comes progress, and our trial and error method has taught us much we did not know about municipal government.

There are few today who would agree with Pope's oft-quoted couplet:

For forms of government let fools contest;
Whate'er is best administer'd is best.

Most of us desire good government, and most of us realize that there is a close relationship between form of government and efficient administration. A good type of government will tend to attract more capable men into public service, and will also facilitate their work after they have taken office. It should be noted, however, that the form of government is only one factor, but a very important factor, in obtaining good government. There are a number of other factors which influence the government of any community. Some of these are the quality of citizenship in the community, the character of the political parties, public traditions, the quality of personnel selected for office, and the work procedures adopted and carried out.

Regarded from the pragmatic point of view, the only final and true test of any form of governmental organization lies in the results which it achieves over a long period of years. But we are interested in the means by which an end is reached as well as the end itself. Most of us desire efficient government; at the same time we want government to be responsible to the voter. In appraising the various forms of government the latter factor should not be overlooked.

Comparing and evaluating the forms of city government is a very difficult task. In doing so, one has to deal with such variables as personnel, functions and services, period of time, methods of record keeping, and the ever-changing value of the American dollar. Any conclusions reached are open to grave criticisms. Who can say that the cause for lowering the tax rate in the city of X or the low crime record in the city of Y is due to the city's particular form of government? The materials and conditions under which an experiment is tried at any given time can never be reproduced for some later experiment. There is no way of retrying the experiment, using

the same materials and under the same conditions. In this particular the social scientist is less fortunate than the physical scientist. The materials with which the social scientist has to work are continually changing.

Irrespective of local needs and conditions, there is no form of municipal government which may be designated as the best. Much depends upon the size of the city, its background and its problems. We may, however, draw certain principles of organization from the experience of men and then proceed to test the various forms of government by determining how they conform to these so-called principles. Although this is not a perfect means of evaluation, much can be said for it. It is practicable. However, the machinery of government is not composed of laws alone, or of men alone, but of both. The two are interdependent. It would be foolish to spend our time here arguing which is the more important.

Let us now turn to a discussion of the different forms of city government. These are commonly considered to be the mayor-council type, the commission type, and the council-manager type. It should be remembered that seldom, if ever, does one find a city with all the characteristics of any given type. Few are purebred. Hybrids appear in the municipal government field as they do in the plant and animal world. Most cities, however, possess enough of the characteristics of one type or the other to enable us to say they fall into one of the above-named categories.

THE MAYOR-COUNCIL PLAN

In preceding chapters we have called attention to the gradual growth in the powers of the American mayor, noting for the most part that councils have given some appearance of losing ground. It is natural for this movement to make more progress in some communities than in others. Consequently, there have come into existence two general types of mayor-council government. One makes the mayor the dominant figure in city government; the other confers on him less important powers and makes the council a more powerful

force in municipal affairs. These two types have come to be known as the strong mayor-council form and the weak mayor-council form.

In the paragraphs to follow we shall attempt to give the major characteristics of each form, remembering at all times that there are many variations of these two general types.

The Weak Mayor-Council Plan. The weak mayor plan was most in vogue during the nineteenth century when it was commonly held that democracy was best served by the popular election of as many officials as possible. According to this plan, the administrative department heads or commissions are either elected by the people or selected by the council. The mayor makes few appointments which are not ratified by the council, and while he frequently is given the veto power, this may be overridden ordinarily by either a simple or a two-thirds majority of the governing body. Usually the mayor is charged with the responsibility of overseeing the work of the various administrative departments and seeing that the laws of the city are properly enforced. All too often he is held responsible for the proper administration of the city's affairs, but seldom is he vested with power to fulfill this responsibility.

The most common characteristics of the weak mayor type are: a large council which is elected by wards; elected administrative heads, including the city attorney, treasurer, and various others; and many elected administrative boards. This form of government lends itself easily to political manipulation, does not tend to attract competent department heads and efficient personnel in general, does not make possible the existence of a single responsible executive head for the city, and is so elaborate and diffused as to prove both confusing and a burden to the voter. It perpetuates the long ballot.

From an administrative point of view then, the weak mayor form is one of the least desirable types of city government. As we have seen, this form makes possible little or no control over administration by the mayor. He is forced to work with a personnel largely elective, or perhaps appointed by the council, and finds himself hampered at every turn by an array of in-

dependent or semi-independent officers and boards; and in addition, the council may be legally charged with close supervision of administrative detail. Generally speaking, this form has shown itself to be the least successful of the various types of municipal structure.

The weak mayor form was very popular during the early and middle nineteenth century. In recent years it has been discarded by a number of cities; and according to the record, there have been few, if any, new adoptions. Examples of cities using the weak mayor form are: Atlanta, Georgia; Providence, Rhode Island; and Richmond, Virginia.

The Strong Mayor-Council Plan. Sixty years ago virtually all cities were using the weak mayor form, but since then most of them have adopted certain features of the strong mayor plan or some other. Mayors have been given more power over administration and ballots have been shortened, but perhaps not enough. In many respects American city government today tends to resemble the weak mayor form with a few strong mayor characteristics attached.

As a matter of fact, most of the defects of the weak mayor plan are good reasons for the adoption of the strong mayor plan. This type makes possible the short ballot, the concentration of power, and the placing of responsibility for administration in the hands of a single individual. Government is made more intelligible to the average citizen, and the opportunities for shifting responsibility become greatly reduced. The council is given the task of determining policy, or legislation, while technical details are left to the chief executive. The strong mayor plan, therefore, makes possible concentration of power and simplicity of form, both characteristics necessary for good government.

Briefly stated, the characteristics of the strong mayor form are: a mayor elected at large, a council elected by wards, the mayor having the power to appoint and remove most department heads, the mayor being responsible for the preparation of the budget for council consideration, and finally, the mayor possessing the veto power. The strong mayor form, therefore,

makes possible the concentration of administrative power in the hands of a single executive, and to quite an extent the separation of policy making from policy execution. In most cases, however, it does not provide the city with an expert administrator. Only by chance would a qualified administrator be elected mayor. Experience seems to indicate that only occasionally is a mayor elected who is competent to direct the city's administrative affairs. There are few men with proved administrative ability who are also good enough politicians to be elected mayor. A few such individuals are to be found, but only in isolated instances.

The strong mayor form requires the mayor to be both administrator and politician. The political effort which must be expended to achieve the mayorship inevitably carries with it binding political obligations. To state it bluntly, almost any mayor is forced to play politics with the city administration. The maintenance of the political machine is necessary for his re-election. In other words, this form does not make possible the divorcement of administration from politics. The mayor serves the city as its political as well as its administrative head.

In an attempt to correct this defect it has been proposed that the mayor employ a chief administrative officer. This officer would be charged with supervising the work of the city departments, while the mayor would concern himself with the broader questions of administrative policy. The theory here is that the administrative officer would be a qualified nonpolitical executive, thus making up for the mayor's shortcomings. This would make possible the election of the mayor, who would be the one responsible for the over-all administration of the city's affairs, and at the same time combine a professional administrator with an elected executive. It is true that the administrative officer might tend to become a glorified secretary to the mayor, for it is the latter who possesses complete power to hire and fire. If such be the case, the independence of action so necessary to keep the administration expert free from political influence cannot exist. Since

so few cities have tried the plan, experience does not warrant a generalization regarding it.

Another weakness inherent in the strong mayor form is the possibility of deadlock between the council and the mayor. The council controls the purse strings, while the mayor is vested with the veto power. Political or other differences between the two sometimes seriously impede governmental functions. The shifting of blame from one to the other is not difficult, and the passing of ticklish problems or questions from one to the other is not unknown. The existence of a strong boss behind the scenes may serve to reduce such warfare, but as someone has said, "Such a cure is worse than the disease."

The strong mayor type of city government has a number of severe weaknesses, but in the realm of government and politics there are few, if any, forms which may truthfully be termed perfect. One form of government is better than another only in degree. The strong mayor form is unquestionably better than those which preceded it. Cities employing it under the proper circumstances have in some instances obtained good results. This form, or variations of it, is to be found in many of our larger cities today. New York, Boston, Detroit, and other cities have adopted the strong mayor plan.

THE COMMISSION PLAN

On September 8, 1900, a fierce storm drove a tidal wave over the island on which Galveston is located. Nearly seven thousand people lost their lives, and twenty million dollars' worth of property was destroyed. The city's government was unable to restore order. Many who had escaped with their lives and property sold their belongings and departed. The citizens became aroused, and the Deepwater Commission, an organization of businessmen previously formed to promote harbor interests, took matters in hand and appointed a committee of three to draft a new city charter. This charter was approved by the state legislature, and went into operation September 18, 1901. It provided for an all-powerful commis-

sion of five members. The commission was the city government; it formulated policy, made all appointments, and oversaw administration. As approved by the legislature, two of the commissioners were to be elected and the remaining three were to be appointed by the governor. This provision of the charter was held constitutional by the Texas Supreme Court in the case of *Brown v. City of Galveston*.¹ During the same year, the Texas Court of Criminal Appeals declared this same provision unconstitutional on the ground that the citizens were deprived of a voice in the selection of persons who were to govern them, quoting Art. VI, Sec. 3 of the Constitution of the State of Texas.² To remedy this condition, the legislature in March of 1903 amended the charter, making all five commissioners elected. One of the five was designated "Mayor-President" with the right to preside over the meetings of the commission, but he was by no means a mayor in the usual American sense of the word. He did not possess the veto, and he shared control of the administration with his fellow commissioners.

Thus Galveston is sometimes credited with the origin of the commission form of city government.³ It would be far more correct to say that Galveston advertised this form of government. As a matter of fact, the borough councils of colonial days were not radically different from the "Galveston Plan." These councils virtually possessed all the powers of local government; they made the local laws and at the same time directed administration. The mayor served as presiding officer at council meetings, but he possessed no veto power. Long after the colonial days this type of local organization continued to flourish in a number of states.

The City of Sacramento, between 1863 and 1893, adopted a form of government which conformed very closely to the

¹ *Brown v. City of Galveston*, 75 S. W. 488, 97 Tex. Rep. 1 (1903).

² *Ex parte Lewis*, 73 S. W. 811, 45 Tex. Crim. Rep. 1 (1903).

³ See E. R. Cheesborough, "Galveston's Commission Plan of City Government," *Annals of the American Academy of Political and Social Science*, Vol. 38 (November, 1911), p. 891; G. K. Turner, "Galveston: A Business Corporation," *McClure's Magazine*, Vol. 27 (October, 1906), p. 610.

later commission plan. The same may be said of the government of New Orleans from 1870 to 1882. According to Professor Charles M. Kneier, "Other cases where this form of government resembled in some respect the commission plan were Washington, D.C. (1874), Memphis (1879), and Mobile (1879)." ⁴

To the surprise of some, Galveston seemed to get desired results under her newly adopted plan. Municipal affairs came to be conducted with far more efficiency than had been the case under the mayor-council form of government. The city was rebuilt, a sea wall constructed, pavements and sewers built, and the city hall, light plant, and water works all repaired. Interest payments on city bonds were resumed; corruption and graft found existence difficult. In fact, Galveston was enjoying better government than she had experienced before. The success of the "Galveston Plan" received the acclaim of news reporters, magazine writers, and authors of books on municipal government throughout the nation.

Near-by Houston adopted the commission plan with some modifications in 1905; by 1907 five other Texas cities fell into line, and so did Des Moines and Davenport, Iowa. It was Des Moines which popularized commission government. The framers of the Des Moines charter took the Galveston charter and superimposed upon it initiative, referendum and recall, a nonpartisan ballot for primaries and elections, and a merit system. Thus, as more cities adopted commission government, it was the "Des Moines Plan" and not the "Galveston Plan" which came to be used. Des Moines provided the means by which commission government could be held responsible for the exercise of its power. The result was that most state legislatures felt the pressure and passed laws authorizing their

⁴ Charles M. Kneier, *City Government in the United States* (New York and London, 1934), p. 346, note 3. According to S. S. Sheppard and L. L. Moak, the Louisiana legislature in 1870 set up for New Orleans a virtual commission form of government. This form of government lasted for twelve years and was followed by the aldermanic form. In 1912 the commission form was re-established. The city still clings to this form of government. See S. S. Sheppard and L. L. Moak, *City Growing Pains* (National Municipal League, New York, 1941), p. 68.

cities to adopt this form. By 1917 the spread of commission government reached its peak with five hundred cities using it. Since then the number has steadily decreased, the losses being to the council-manager plan or the strong mayor form. Some contend that commission government is best suited to small communities and to semi-rural centers; however, a few larger cities such as Newark, New Orleans, Portland, St. Paul, and San Antonio are using it with varying degrees of success.

What Commission Government Is and How It Works. One is not likely to find any two cities using commission government where all the details are alike. Nearly every city has made changes and modifications to meet its particular desires and whims. But regardless of this lack of similarity in detail, there is much in common to be found regarding their administrative organization. The number of elected commissioners varies from three to nine, five being the most common number. Their terms of office also vary from two to six years, and their salaries vary greatly from city to city. Collectively this group constitutes the city council, but individually they serve as heads of the city's various departments. Thus, in a commission-governed city the commissioners serve in a dual capacity: as a group they compose the city's legislative body, formulating municipal policy, while individually they serve as administrative heads of the city's various departments.

The Galveston charter of 1901 did not contemplate that the administrative affairs of the city would be actually handled by the commissioners themselves. As a matter of fact, these individuals were to serve the city part time, and were given the authority to appoint and discharge all employees, including department chiefs. The original Galveston plan thus provided that appointed department heads were to serve the city under the supervision of the commissioners. This original concept was soon lost and various methods of assigning commissioners to head departments rapidly came into use. The practice of permitting the commission to assign its members to head the various departments became common. In a few instances these assignments are made by the mayor, while

in a number of other cases the voters elect commissioners to head specific departments. There is a trend in the direction of the latter method today.

Unless one commissioner is excused from the responsibility of directing a department to serve as mayor, the number of city administrative departments will correspond to the number of commissioners. Ordinarily the mayor is elected to a specific position — maybe the commissioner of public affairs. Some charters provide that the candidate receiving the highest number of votes be mayor; in other cities the commissioners choose one of their own number to preside at commissioners' meetings and serve as mayor. In commission government the position of the mayor is not an important one. He has no veto power and usually is not able to make more appointments than do the other commissioners. As titular head of the city, he may be more influential than the other members, but his administrative and legislative powers are shared with them. His salary, however, may be slightly higher than that paid the other members.

One advocate of the commission form of city government says that it is simple. Its two outstanding characteristics are: (1) a small commission, elected at large, which serves as the legislative body; (2) each commissioner acts as head of an administrative department. It is contended that simplicity leads to a greater interest on the part of the average citizen in his local government. It is also held that commission government makes possible the concentration of authority. Under this form all power is vested in the commission; thus both dodging responsibility and buck-passing become difficult. The proponents of the form also claim that it attracts leading business and professional men to serve their city, and in this way serves as a method of raising the prestige of public office holding. This argument, at least, was made during the early years when commission government was first being tried. Advocates also hold that the commission plan makes it possible to bring into city government the principles employed by private business whereby the stockholders elect a board of

directors which is responsible for running the business. Finally, there are others who would hold that commission government makes possible the reduction of graft and corruption in city government. Unfortunately, not all commission cities have enjoyed the experience of Galveston in this respect. It is also unfortunate that experience and practice do not substantiate so many of the merits claimed for this form of government.

As a matter of fact, commission government has been found to have most of the defects of the weak mayor form in addition to many of its own. One of its chief faults is that it makes no organizational distinction between the policy-making function of government and the administrative function. Most of us will agree that the qualifications are not the same for both the legislator and the administrator. The running of a department within a large city requires a considerable amount of executive ability in addition to specialized information on the subject matter with which the department deals. A policy maker represents the citizens, and should know what they expect of government. Under the commission form, elected officials perform both functions: they legislate for the city and are also in charge of the city's various executive departments. The elective process seldom brings to office men with great administrative talent. Personality, wealth, backing, and the support of a political organization are all necessary to produce votes. Many good administrators do not have these attributes. Furthermore, one who possesses the qualities of a successful administrator will rarely run for office under the conditions of the commission plan. He frequently will refuse to risk the uncertainty of tenure which every elective official faces.

Elective officials inevitably have political debts to pay. This may mean that in making appointments to the departments they head, first consideration will likely be given to political qualifications and relationships. The number of votes an applicant controls may be considered more important than his training, experience, and ability to do the job.

It is appropriate at this time to quote an editorial from the *Beatrice, Nebraska, Sun*. It is as follows:

About the time Beatrice changed from the mayor-and-council form of city government to the commission form in 1912, the latter plan was hailed as an improvement.

Today no cities are going into the commission form, the defects of which have been clearly demonstrated. Chief of these is the fact that it combines the legislative authority with the administrative function. The same three men who hold the executive offices also pass ordinances, levy taxes, make appropriations.

Beatrice citizens recognized the defect after the commission plan had been in operation for six years. They tried and failed to elect three commissioners who agreed to use their salaries to hire a city manager.

This time, the proposal is to establish the council-manager plan according to the statute for that purpose. The idea is the same, improving administration of the city's business affairs.⁵

In commission government no single commissioner has authority over his fellow commissioners in their administrative capacities. Whatever influence he may exercise over them is done in an extralegal capacity. All this means that there is no way of co-ordinating the activities of the city's various departments and agencies; there is no one with an over-all view of the needs of these organizations, nor anyone to make quick decisions or to act quickly in case they are required. In case of error or misdeed, both the legislative body and citizens alike are at a loss upon whom to fix the blame. It would appear, therefore, that this form of government does not make adequate provision for some method whereby the work of the city will be competently devised and executed.

Someone once said that commission government is like a motor car with an accelerator but no brake. When the men who vote the funds are the same men who spend them, the cost of government is not likely to be reduced. It is inevitable that each commissioner will ask for as much as he can get. If he is politically ambitious, he will naturally fight for more positions in his budget and will seek to have more contracts.

⁵ Quoted from *National Municipal Review*, Vol. XXXII, No. 10 (November, 1943), p. 540.

awarded in order that his sphere of influence be increased. The tendency is for the commissioner to spend, and there is no method made for reducing expenditures. The commission form provides no means of paring down budgets, despite the fact that experience teaches that most department heads ask for all they believe it is possible to get. It would seem that commission government gives full opportunity for the old principle of the pork barrel to operate.

Because of both organic and practical shortcomings which the operation of the commission plan has demonstrated, it is quite unlikely that we shall find many cities adopting this form in the future. It appears to be fighting a losing battle, and is gradually being superseded by either the strong mayor-council or the council-manager form.⁶

THE COUNCIL-MANAGER PLAN

Our newest development in city government is the council-manager form. Staunton, in the Shenandoah Valley of Virginia, was the first to use the term "manager" in 1908, where the office of "general manager" was created by ordinance as a rather novel adjunct to an old-fashioned city government consisting of a mayor and council. Three years later the council-manager plan appeared in a proposed charter drafted by the Board of Trade of the City of Lockport, New York. While the New York legislature failed to approve this charter, much publicity was given to the idea. Sumter, South Carolina, in 1912 became the first city to operate under a charter provision providing for council-manager government, and the new home-rule charter of Dayton, Ohio, made it possible for

⁶ For a general discussion of the commission form of government see: Henry Bruère, *The New City Government* (New York and London, 1912); E. S. Bradford, *Commission Government in American Cities* (New York, 1911); T. S. Chang, *History and Analysis of the Commission and City Manager Plans of Municipal Government in the United States* (University of Iowa, 1918); C. R. Woodruff, ed., *City Government by Commission* (New York, 1911); and the *Annals of the American Academy of Political and Social Science*, Vol. XXXVIII (November, 1911), which devotes the entire number to commission government in American cities. For a treatment of the weaknesses of commission government see C. M. Fassett, "The Weakness of Commission Government," *National Municipal Review*, Vol. IX, No. 10 (October, 1920), p. 642, or M. A. Gemünder, "Commission Government: Its Strength, and Its Weakness," *National Municipal Review*, Vol. I, No. 2 (April, 1912), p. 170.

this form of government to go into effect there in January, 1914. Dayton's adoption gave wide publicity to the plan. Today nearly eight hundred cities and counties are operating under manager government in the United States.

In the early years the manager plan seemed to attract the attention of the smaller cities — those with less than ten thousand in population. The larger metropolitan centers demonstrated little or no interest in it. As a matter of fact, prior to 1921 only three cities with populations in excess of one hundred thousand had adopted manager government. Finally, in 1926 Cincinnati decided to try the new plan. Since then Kansas City, Missouri; Rochester, New York; Oakland, California; Dallas and Houston, Texas; have followed suit. In all, thirty-nine states have at least one council-manager city; most of them have many more. The Pacific Coast, the Middle West, the South and Southwest have proved most popular for its adoption. Maine, Michigan, Virginia, Texas, Florida, and California top the list. All of these, with the exception of California which has thirty-seven, have forty or more adoptions. Michigan and Maine lead the list with fifty-eight cities each. In addition, Canada has twenty-six adoptions, Ireland five, and Puerto Rico one.⁷

Only twenty-eight municipalities have abandoned the council-manager plan by vote of the people since 1908,⁸ and in each case it would seem that the plan was not given a fair trial. To quote Austin F. Macdonald: "They invited failure by adopting so-called manager charters that did not conform to sound principles of municipal organization; they permitted the government to fall into the hands of professional politicians; or they used the manager plan as a scapegoat for their depression-created economic troubles."⁹

⁷ *The Municipal Year Book*, 1946 (The International City Managers' Association, Chicago, 1946), p. 538. On July 26, 1947, the Houston electorate adopted eight charter amendments which changed the form of government from council-manager to mayor-council.

⁸ *Ibid.*, p. 237.

⁹ Austin F. Macdonald, *American City Government and Administration* (New York, 1941), p. 201. Also see A. W. Bromage, "Why Some Cities Have Abandoned Manager Charters," *National Municipal Review*, Vol. XIX, Nos. 9, 11 (September, November, 1930), pp. 599, 761.

What Council-Manager Government Is and How It Works. Briefly stated, the outstanding characteristics of council-manager government are: (1) a small council elected at large; (2) all legislation and policy making are located in the council; (3) the council employs a professionally trained city manager who is subject to dismissal by the council at any time; and (4) the manager is responsible for administration, having the power of appointment and removal subject to civil service rules. He is also responsible for the preparation and presentation of the budget to the council.

In manager government there is a clear differentiation between the policy-making function of government and the administrative function. The voters elect the council which in turn formulates policy and controls administration. The manager owes his position to the council. He alone is charged with administering the city's affairs. The *Model City Charter* specifically states that:

The city manager shall be chosen by the council solely on the basis of his executive and administrative qualifications with special reference to his actual experience in, or his knowledge of, accepted practice in respect to the duties of his office as hereinafter set forth. At the time of his appointment, he need not be a resident of the city or state, but during his tenure of office he shall reside within the city.¹⁰

Also, according to the *Model City Charter*, the council is required to deal with the various administrative agencies and departments only through the manager.

The council-manager plan makes possible the centralization of administrative authority in the hands of a single individual. The manager is a single executive chosen to run the city government. He is given power to appoint department heads and through them to appoint all other city employees. The manager is charged not only with the responsibility of preparing the budget for the council's approval, but also with its enforcement after enactment. He co-ordinates all the city's various

¹⁰ *Model City Charter* (National Municipal League, New York, 1941), p. 12.

activities. It is to him that the council looks for information and expert advice regarding the management of the city's affairs. He attends council meetings and may make such recommendations as he deems desirable. Therefore, the manager is not entirely shut off from assisting in policy determination, for he is in a position to exercise considerable influence on the council.

By and large, the city manager maintains much the same relationship to the council that the president of a university does to the board of regents, or the manager of a business to the board of directors of the corporation. In each instance there is a single expert administrator, who is chosen and controlled by the board, to manage the affairs of the institution or the business according to the general policies established by the board. Manager government, therefore, is based upon tried and proved American business principles.

Under the manager plan the office of mayor is generally retained. He presides over council meetings, serves as the city's ceremonial head, and in time of emergency he may be charged with the duty of preserving order. He also serves as the city's political head. In some cases he is chosen by the council from among its own number; in others he is directly elected by the voters. His salary may be higher than those of his fellow councilmen, and some charters give him additional powers.

A form of government should be judged by the results which it gets in foul weather as well as fair. In reaching a correct evaluation, two factors should be kept in mind — finances and services. According to the National Municipal League, during the depression period, for every population class the average tax rate for council-manager cities was less than the average tax rate for cities with other forms of government. One concludes, therefore, that living in city-manager cities would seem to have a distinct advantage in that after five years of depression they were paying less for local government than their neighbors. From the service angle, the manager cities throughout the last depression gave police protection

at least equal to that afforded by other cities, and at less cost. The same may be said for such other services as health, recreation, and libraries.¹¹

No form of government of itself will produce a civic millennium. The critics of council-manager government say that it is undemocratic and that it makes for one-man control; they point out the difficulty of finding qualified personnel, calling attention to the fact that the city manager's tenure of office is very insecure, that his salary, in comparison with comparable executives, is low, and that all in all his is a difficult career at best.¹² These are all stock criticisms.

A more important objection to manager government is that in actual practice it does not separate politics from administration. For one thing, after the first appointment, there is a tendency for the council to choose a local man for the office of manager. When such occurs, it tends to open the door in some degree to the playing of politics in administration. A weak individual, resident or nonresident, may be entirely dominated by the council. A hint from the council is sure to serve as a command. Job seekers and those desiring favors may go directly to council members, knowing that they have complete freedom in employing and dismissing the manager. Such problems will inevitably arise, for council members cannot be protected against political pressure. They are elected by the people and are sure to reflect the public attitude, which is as it should be. There is no statute or charter provision which restrains them from meddling in administration should they be so inclined.

It has also been said that the city manager should keep clear of politics. If this be true, who is to give the community its political leadership? Democratic government cannot exist for long upon mere machinery. There is a popular interest

¹¹ See the pamphlet *Council Manager Cities During the Depression* (National Municipal League, New York, 1935).

¹² The salaries of city managers, while not as high as they were before the depression in 1929, are still in the higher brackets in so far as municipal salaries are concerned. Today the range is probably anywhere between \$650 and \$25,000 per year, depending on the size of the city and the duties performed.

and a demand for leadership. All this means that the city manager in some instances finds himself in a difficult position. The public looks to him for what, if he plays the game according to the rules, he cannot give.

The critics, therefore, have charged that the council-manager plan has failed to provide the people with the necessary political leadership. This assumes that political leadership is to be found only in men who are placed in office by direct election of the people. Applied to the national level, one is led to conclude that in England political leadership has been developed without the chief executive being directly elected, whereas in the United States only elected executives may become great leaders. Certainly neither of these assumptions can be accepted *in toto*. In addition, it should not be overlooked that manager government assumes that while the manager will be administrative head of the city, the mayor will take an active part in initiating, presenting, and defending city policy to the public. Thus, under council-manager government the mayor is the chief political figure in the city government. It is admitted that managers are in no position to provide the necessary political leadership and that where they have attempted such they have finally failed. On the other hand, it also seems to be generally admitted that where the mayor and council neglect to run interference for the manager, council-manager government will also eventually fail.

No form of government will of itself produce good government. A form of government is, at best, a piece of machinery. That piece of machinery is best which performs best under normal operating conditions. Normal operating conditions imply gas in the tank, oil in the gears, and an operator with a reasonable degree of intelligence. The citizen is the operator of our governmental machinery. If he does not do his job, no machinery will produce the desired results. It is true that one model or type of machinery may be easier than another for him to manipulate. It is for this reason that we have discussed the forms of municipal government in the preceding

Form of Government in 2033 Cities over 5000 Population

POPULATION GROUP	TOTAL CITIES	MAYOR-COUNCIL	COMMISSION	COUNCIL-MANAGER
		%	%	%
Over 500,000	13	13 100	— —	— —
250,000-500,000	23	8 34.8	8 34.8	7 30.4
100,000-250,000	55	26 47.3	13 23.6	16 29.1
50,000-100,000	106	41 38.7	35 33.0	30 28.3
25,000- 50,000	212	108 50.9	48 22.6	51 24.1
10,000- 25,000	662	369 55.7	125 18.9	132 19.9
5,000- 10,000	962	701 72.9	96 10.0	127 13.2
All cities over 5,000	2,033	1,266 62.3	325 16.0	363 17.8

Municipal Year Book, 1946, page 42. Washington, D.C., not included. Representative Town Meeting Form 27. Town Meeting 52.

pages. At this point we might well quote from a little pamphlet published several years ago by the National Municipal League:

Of all forms of government, the council manager form makes the job of citizen easiest, makes it so much easier that the citizen can both understand how it works and make it work. But it should never be forgotten that if the citizen fails to play his role in the democratic process, then bad government will inevitably succeed good government under any form.¹³

¹³ *Forms of Municipal Government* (National Municipal League, New York, 1939), p. 19. For a recent and an authoritative treatment of council-manager government see Harold A. Stone, Don K. Price and Kathryn H. Stone, *City Manager Government in the United States* (Chicago, 1940). The same authors published *City Manager Government in Nine Cities* (Chicago, 1940). Both of these volumes, together with a number of other studies dealing with council-manager government in selected cities chosen from various sections of the country, present the best treatment of the manager plan that has yet appeared. They are all published by Public Administration Service, 1313 East 60th Street, Chicago. For background reading, the student will want to see C. E. Ridley and O. F. Nolt-ing, *The City Manager Profession* (Chicago, 1934); L. D. White, *The City Manager* (Chicago, 1927); and numerous articles dealing with the various phases of council-manager government which have appeared in *Public Management*, *National Municipal Review*, and other publications during the last twenty-five years. Also see Lashley G. Harvey, *The Manager Plan and New Hampshire Towns and Cities* (University of New Hampshire, January, 1947).

It appears that council-manager government is generally accepted to be the best plan yet devised. Its future is bright. The plan is not spreading by leaps and bounds, but it has seized the public imagination and is gradually gaining adherents. For the years 1941 and 1942, there were twenty-three and twenty-eight adoptions respectively, and in neither year were there any abandonments. A total of twenty-nine municipalities adopted council-manager government in 1944, the highest number of adoptions since 1923. Of the 120 referenda held during the sixteen-year period, 1930 to 1945 inclusive, on proposals to abandon the council-manager plan, 85 per cent resulted in the retention of the plan.¹⁴ These facts speak for themselves.

¹⁴ *The Municipal Year Book*, 1946, p. 238.

Municipal Administration and Organization



IN PRECEDING chapters we have dealt mostly with the governmental and political aspects of municipal government. Time has been devoted to depicting the place of the city in modern society and its position in our governmental system, and attention has been called to those factors, legal and extralegal, which make for good or bad city government. The city council, the mayor, and the manager have been discussed, but administration has not been emphasized. Between the enactment of ordinances by the municipal governing body and the receipt of governmental services by the public, there is much activity. Briefly, it is this activity that is commonly spoken of as administration.

Administration is variously defined. One writer refers to it as "the phenomena of getting things done through co-operative human endeavor."¹ Elaborating, he states:

... The science of administration is thus the system of knowledge whereby men may understand relationships, predict results, and influence outcomes in any situation where men are organized at work together for a common purpose. . . .²

¹ Luther Gulick in "Foreword" to Luther Gulick and L. Urwick, editors, *Papers on the Science of Administration* (New York, 1937), p. v.

² Gulick, "Science, Values, and Public Administration," in Gulick and Urwick, *op. cit.*, p. 191.

By definition, public administration is only part of a larger field, that part which deals with the affairs of governmental entities. It is essentially the process of carrying out the public will as expressed in law. Our chief concern is with administration on the municipal level, or stated differently, the putting into effect of the laws as enacted by the duly elected representatives of the municipality.

In the beginning, it should be stated that administration constitutes a means toward an end, that end being services furnished the citizenry. For instance, a city does not budget merely for the sake of having a budget document, nor does its engineer make a blueprint solely for the art and beauty involved in his handiwork. The budget serves as a financial work plan for the various departments and services, while the blueprint makes possible the proper installation of a storm sewer, a city street, or a golf course.

While it is desirable that administration be efficient, whether viewed from the economic or social point of view, few city administrators have a free hand to work toward this end.³ As has been pointed out in previous chapters, the American city is in many respects the creature of the state. It enjoys only those powers which the state may see fit to grant, the state restricting its activities through constitutional, statutory, administrative, and judicial controls. Perhaps of commensurate importance with these controls are those existent by virtue of the fact that American cities operate under a democratic form of government. This brings into play the so-called "extralegal" or "political" controls over administration. Political parties bring pressure to bear upon the city administration through patronage and political appointments. Pressure groups not only make their demands on the city council, but frequently attempt to accomplish their ends via the administrative officers. Public opinion, too, is a force which makes itself felt upon any administration in a host of ways.

³ See Marshall E. Dimock, "The Criteria and Objectives of Public Administration," in John M. Gaus, Leonard D. White, and Marshall E. Dimock, *The Frontiers of Public Administration* (Chicago, 1936), p. 126.

As the city administration is beset on all sides by many controlling factors and influences, it seldom remains static for long. It must continually be adapting itself to changing conditions, expanding here, contracting there. It may remain static only to the extent that the social, political, and economic forces which influence it will permit it to do so. Generally speaking, these are constantly changing, and a full appreciation and understanding of these factors is essential if we are to comprehend fully all the ramifications of modern city administration and its many problems.

GROWTH OF MUNICIPAL ADMINISTRATION

The growth of municipal administration may be partially understood from an examination of the national population figures presented in Chapter 1. In fact, we have become a land of city dwellers. But the presence of people within corporate boundaries is not totally responsible for our administrative expansion. Our attitude toward the function of government changes with time, and the relationship between business and government is different today from what it was in the days of our forefathers. To meet these additions and changes, a different and expanded administrative mechanism is necessary. A changing economic and social order accentuates the need. Witness, for example, the increase of public welfare activities in cities of recent years. When a community decides to assist unfortunate individuals in obtaining adequate housing, employment, or minimum standards of sanitation through welfare legislation, the result is not the mere addition to the statute books, but also the expansion of the administrative structure to carry out the enacted provisions. During the early days of this country, activities could be undertaken by the city or township without any appreciable increase in administration, because one man could perform without difficulty functions of diverse and utterly different character; but today this era of science and technology does not permit such practice. Specialization means growth in all fields of endeavor. City administration is no exception.

Growth in administration must also be explained in terms of service functions which only the city can feasibly render. Examples of these are police, fire and health protection, garbage collection, sewage disposal, and others. The nature of these services is such that they cannot be furnished economically or efficiently by private enterprise. The result is that cities have constantly increased their administrative activity in order adequately to render these ever-expanding service functions. As a matter of fact, our cities are performing services for their citizens which were formerly left to private initiative, or left undone. It is perhaps safe to say that within the last three decades the number of municipal services has at least doubled.⁴

Ownership and Operation of Utilities as Reported
by 2033 Cities over 5000 Population

TYPE OF UTILITY	NUMBER OF CITIES	PER CENT OF TOTAL
Auditorium.....	402	19.8
Bus or Trolley Bus Sys.....	33	1.6
Electric Gen. & Distrib.....	265	13.0
Electric Distrib. only.....	168	8.3
Gas Mfg. & Distrib.....	44	2.2
Gas Distribution only.....	40	2.0
Incinerator *.....	281	26.2
Port Facilities.....	80	3.9
Street Railway.....	11	0.5
Sewage Treatment Plant....	956	47.0
Slaughterhouse.....	49	2.8
Water Supply & Distrib....	1383	68.0
Water Distribution only....	125	6.2
Airport *.....	209	19.5
Cities Having None of Above	251	12.4
Cities Not Reporting.....	1	0.1

* Data for cities over 10,000 population only

⁴ Lent D. Upson, *The Growth of a City Government* (Detroit Bureau of Governmental Research, April, 1942).

Cognizance must be taken of the fact that many cities today are actually engaging in various types of businesslike services. The preceding table gives some idea of the extent of these operations.⁵ Not only is there the problem of everyday administration of these activities, but, in addition, there are the ever-present growing pains. The process seems inevitable. In a city where the waterworks is municipally owned and operated, for example, there are constant demands made upon the city. The services must continually be repaired, improved, or expanded, all of which adds to the total problem and complexity of administration.

Modern municipal administration, in growing to meet the diverse and complicated demands made upon it, has become exceedingly complex in character. Today it invokes and requires the work of many technicians and experts. In addition, it demands the application of good principles of administration without which all the experts and technicians in the world could not achieve the best results. If administration is to achieve its full purpose, it must utilize all of the arts, procedures, and techniques of scientific management. In order that it do so, one of the first essentials is a good administrative organization.

ORGANIZATION

Realizing that the word "principle" is always dangerous in that it may be considered as a ready-made answer regardless of circumstances, we shall, nevertheless, attempt a brief treatment of some of the major principles underlying municipal organization.

Organization is by no means the sum total of administration, but rather it is a very important factor or an integral part of administration. It denotes mechanical structure; it is the channel or the series of channels through which authority flows. It is a means toward an end, but should not be made an

⁵ Taken from *The Municipal Year Book*, 1946 (The International City Managers' Association, Chicago, 1946), p. 49.

end in itself. In brief, organization is the mechanism through which public policy is executed.⁶

Wherever human beings get together in order to achieve a common end, organization develops. It takes organization to construct a street, to run a country store, to operate a big business corporation, to maintain an army or a city government. But regardless of its importance, there is no such thing as the best organization. Organizations do not go by absolutes. They partake of their objectives and are molded by circumstances peculiar to each case. There is no best organization except in terms of a given situation, and correct machinery cannot be prescribed unless all the facts in a given situation are fully known. That is why the function of organizational surveys has been receiving so much attention in recent years. It is also why we must be continually examining our administrative structure and constantly making adjustments. Since organization is such an important factor in administration, let us call attention to a few principles believed to be worthy of consideration when the city administrative machine is placed under observation.

Division of Labor. The justification of all organization, whether it be public or private in nature, is the adequate accomplishment of some avowed purpose. In the field of municipal administration this purpose is to regulate various businesses, supply utility services, maintain police and fire protection, provide low-cost housing, operate parks and playgrounds, inspect sanitary conditions, and perform numerous other functions and services for the citizen. According to Gulick, the division of work "is the foundation of organization; indeed the reason for organization."⁷ The division of work is based on the assumption that if one individual does a single job or task over a period of time, his expertness and efficiency therein will be much greater than if he shifted from one job to another intermittently. There is no loss of time occasioned

⁶ John M. Gaus, "A Theory of Organization in Public Administration," in Gaus, White, and Dimock, *op. cit.*, p. 66.

⁷ Luther Gulick, "Notes on the Theory of Organization," in Gulick and Urwick, *op. cit.*, p. 3.

as happens when a person has a variety of infinitely different assignments, with the result that all efforts are directed toward a single goal. It also makes allowance for the fact that some particular tasks require certain traits or characteristics to insure accurate performance. Finally, the division of work is necessary because the same individual cannot be at two places at the same time or do two things at once. In other words, it is a question of human nature, time, and space.

The principle of division of labor is evidenced in many phases of municipal government today. There are hundreds of highly specialized positions in every city of any considerable size, such as sero-bacteriologist, public health nurse, crime laboratory operator, personal property appraiser, billing machine operator, delinquent tax attorney, budget examiner, design engineer, social case worker, and many others. These various positions are grouped into units known as departments, bureaus, divisions, or sections, as the case may be. Generally speaking, most individual activities of the city are grouped according to dominant purpose, or what Professor White terms "major substantive purpose."⁸ This is reflected in the formation of public health, police, fire, public works, and welfare departments within the city administrative machinery. Other units, such as legal departments and budget bureaus, are organized on the basis of process rather than major purpose.⁹ Still others are developed on the basis of persons or things dealt with and geographical location, but within the realm of municipal administrative affairs these are definitely secondary to major purpose and process criteria in organizing individual activities.

Regardless of which base is used in determining the grouping of specialized activities, the fact remains that some division of labor must be provided. But just as there is a necessity for the division of work, there are also limits of division. As several writers on the subject have pointed out, nothing is gained by

⁸ Leonard D. White, *Introduction to the Study of Public Administration* (New York, Revised Edition, 1939), p. 40.

⁹ See Gulick, *op. cit.*, pp. 23-30.

subdividing work if further subdivision results in setting up or creating a task which requires less than the full time of one man. Nor should the subdivision of work pass beyond physical division into organic division. Similarly, is there anything to be gained by splitting a single movement, like licking an envelope, or tearing apart a series of closely related activities?

Co-ordination. Mooney and Reiley designate co-ordination the "first principle," stating that:

this term expresses the principles of organization in toto. . . . This does not mean that there are no subordinated principles; it simply means that all the others are contained in this one of co-ordination. The others are simply the principles through which co-ordination operates, and thus becomes effective.¹⁰

Other writers accord a similar position of importance to co-ordination.¹¹

While co-ordination is always of great importance, its place in the organization varies widely, depending on the size and type of agency. In the small village, for example, the means of co-ordination are highly informal. Often they involve no more than a chat across the mayor's desk. In highly routinized activities, co-ordination itself may be reduced in large part to routine, so that the workers are almost unconscious of its action. As a matter of fact, such a condition is in a sense the ideal toward which the executive works. Since organizations are composed of human beings, however, and since the work of many organizations undergoes frequent and even constant development, such an ideal is scarcely to be realized except in unusual cases. Indeed, structural arrangements for co-ordination may be perfected so far as the jobs are concerned, but the uncertainties of the impact of personality on personality require the executive to be constantly at his task of harmoniz-

¹⁰ James D. Mooney and Alan C. Reiley, *Onward Industry* (New York, 1931), p. 19.

¹¹ For example, one well-known writer on business organization illustrates the need for co-ordination in this manner: "... a number of strands, however strong in themselves, do not make a rope, unless all are firmly twisted together." Oliver Sheldon, "How Far Can Functionalization Go?" *Administration* (New York, February, 1923), p. 203.

ing. Since the job exists first, co-ordination of jobs is logically the first step and is more easily formalized; but in the final analysis, co-ordination must include both jobs and incumbents, and must be not only formal, but also informal. To say that it is one of the major tasks of the executive is but to repeat what has been said in earlier chapters.

Line, Staff, and Auxiliary Services. The segregation of individual municipal administrative activities into organizational groupings has led to the distinction drawn in present-day administration between line, staff, and auxiliary services. This distinction is actually the outcome of a previous delineation taken from the field of military organization wherein all activities were classed either as being line or staff. Those of the line were operative through the military "chain of command," and were concerned with those major operations for which armies were originally created and which now include such undertakings as waging tank warfare, bombing military targets, or staging infantry attacks on enemy strongholds. The staff function, on the contrary, was to perform services incidental to activities of the line, advise and counsel responsible commanders, but not to issue commands and direct operations.

The "carry-over" of this concept into the realm of civil administration has not been without some confusion. However, the concept of line activity in municipal affairs resembles closely that used in the field of the military. It constitutes those major work items for which, in reality, the urban government exists, and pertains to services furnished directly to the people through departments of public works, fire, police, health, utilities, recreation, and education.¹² These line services represent the ends or goals which justify the existence of a municipal government, and represent the bulk of day-to-day administrative activity carried out at the city hall. These line activities are a direct responsibility of the chief executive, and correspond to the major-purpose functions of government as previously mentioned.

¹² For a broad enumeration of line services, see Henry G. Hodges, *City Management* (New York, 1939), pp. 33-34.

The operation of line departments brings into focus certain operations, technical and essential in nature, but far removed from those activities which line agencies are designed to perform. Among these are budgeting, purchasing, accounting, reporting, auditing, records, and personnel management. They constitute the so-called "auxiliary services" of municipal administration because they are actually auxiliary to successful performance of line functions. The terminology is not universal. They are frequently referred to as the "institutional" or "housekeeping functions" of government.¹³ One writer refers to them as "secondary" in contrast to the line activities which he terms "primary."¹⁴ Regardless of the particular name accorded this class of administrative activities, they are not staff agencies. Operating under the jurisdiction of the chief executive and encompassing duties common to the various line agencies, they are in many respects operating units. A common characteristic of auxiliary services is their organization into central agencies such as a department of finance, central printing bureau, or the central purchasing office under the control of the chief executive. This does not prevent inclusion of certain auxiliary services within the line agencies. Frequently individuals performing duties of this nature will be incorporated into a line agency, maintaining, of necessity, effective liaison with the appropriate central housekeeping office if there is one.

The staff function in municipal administration is different in approach and concept from either the line or the auxiliary services here described. It arises out of necessity because one man cannot master all phases of the task involved in keeping the organization beneath him from working at odds within itself, duplicating effort, and wasting human energy. A staff function is primarily advisory in nature. Its purpose is to conduct research, study, observe, and recommend, but not command. It possesses no authority in and of itself, and can

¹³ W. F. Willoughby, *Principles of Public Administration* (Baltimore, 1927), pp. 45-46.

¹⁴ Austin F. Macdonald, *American City Government and Administration* (New York, 1946), p. 328.

issue no orders. In questions of policy facing the administrator, the staff agencies assume a great degree of importance.¹⁵ They constitute a vital liaison group between top administrators and down-the-line operating personnel, crossing lines of authority and responsibility established in the hierarchy, but as such in an advisory capacity. If the city's administrative machine is to function harmoniously, there must be co-operation between those agencies performing line functions and those engaged in staff functions.

Hierarchy. The establishment of all these administrative agencies, line, auxiliary, and staff, in a composite structure results in the hierarchy or "scalar process."¹⁶ The hierarchy as such includes each individual position within the administrative organization of the city and its relation to the group of positions as a whole. It is likened to a pyramid, the base of which rests upon the multitude of municipal positions wherein are performed the ultimate tasks of administration. The top of the pyramid is the office of the chief executive, below which are a small number of subordinate department chiefs with their respective organizations branching out into a greater number of bureaus and divisions as the base of the structure is approached. The specific form of the hierarchy may vary, depending upon specific conditions, but the universality of the principle remains. There can be no effective organization of any sort without it.

Inherent in the concept of the hierarchy is a recognition of the superior-subordinate relationship which permeates the entire administrative structure from top to bottom. Ultimate responsibility for the work of administrative organization should rest upon the top executive; consequently, it is logical that he be given complete authority to cope therewith. Indispensable to the functioning of the hierarchy, however, is the proper delegation of this authority and responsibility among subordinate officers under the chief executive. Unless authority to perform certain tasks confronting administration is dele-

¹⁵ See Gaus, *op. cit.*, p. 75.

¹⁶ Mooney and Reiley, *op. cit.*, Chap. 4.

gated to subordinates, the top level of the hierarchy is apt to become top heavy and overburdened with work details which should more logically fall to minor employees. As far as possible, the delegation of authority, with its assumption of commensurate responsibility, should be precise and exact, clearly setting forth to each official his limits of power in the performance of his duties, his relation to immediate superiors, and his connection with all subordinates under his cognizance. Everyone should know where he fits into the organization pattern. He should know his superiors and his proper relation to them. Men do not do their best work floating aimlessly about in an ill-defined administrative organization. Good intentions or a spirit of co-operation is not enough. To be effective, co-operation must be direct. The best intentions of all of us would not get us to work in the morning and home in the evening without some direction of traffic by someone who subordinates individual desires to the achievement of the common goal. So it is if any objective is to be achieved. We not only need direction and co-ordination, but we must know who is doing the directing.

Span of Control. The delegation of administrative authority and the establishment of the hierarchy are not without their complexities, important among them being the fact that there are physical limitations on the number of individuals whose work can be effectively controlled and supervised by another. These limitations are incorporated into the administrative concept known as "span of control." It derives its origin from the psychological concept "span of attention," which gives recognition to the fact that there are definite bounds to the number of individual facts or situations with which the human mind can cope at any one time. If the hierarchical structure is too shallow and the executive has too many immediate subordinates for whom he is responsible and whose work he must direct, the executive will not only suffer from physical and mental overwork, but will find effective co-ordination more and more difficult of attainment.

The question may be asked: Over how many individuals can a chief executive exercise effective control? How many different activities can he co-ordinate effectively? Obviously, there are limitations of some kind, but little agreement has been reached as to where the limits should be placed. There are some who contend that no executive should attempt to supervise more than four or five persons.¹⁷ Others say seven, others limit the number to twelve, while some go still higher. Some military men say three. However, for the most responsible type of civil administration, the consensus of opinion seems to favor from three to twelve subordinates. While one might make a dogmatic assertion that a given number is the correct one, the facts appear to substantiate the statement that the appropriate number in one case might be twice or three times what it would be in another. Much depends upon the individual capacities of the executive. It also depends on how urgent the activities are, and how much of a premium is placed upon speed. Any consideration should take into account the nature of the duties involved, whether clerical, manual, technical, or managerial. Whatever the exact number may be in any given situation, it seems obvious that too few of our cities are giving proper consideration to the idea of span of control. That means things are not tied together, policies clash, and many vital relationships are overlooked.

By way of summary, it should be stated that a simple, workable, responsive administrative machine should be provided. It should be simple so that both the citizens and the officials will understand it. It should be designed so as to make government more efficient by a reduction in the number of working parts. Finally, it should at all times be responsive to the electorate. The number of departments, boards or commissions, and other administrative agencies might be prescribed in the charter or left to the discretion of the governing body. In the large cities the former method should be quite possible, while for smaller cities the wiser policy would seem to be to leave this matter to the council. An administrative

¹⁷ V. A. Graicunas, "Relationship in Organization," in Gulick and Urwick, *op. cit.*, p. 183.

code may be used to supplement charter provisions, and to relieve it of innumerable and unnecessary details.

In Chapter 14, where forms of municipal government were discussed, emphasis was placed upon the fact that no one form can be depended upon to guarantee perfect local government. However, on most counts, when compared with theory and good administrative practice, the council-manager form attains perhaps the most creditable rating. In strong mayor-council government, it is possible to have excellent administration, especially when combined with a local tradition of permanency of employment and efficient personnel. Perhaps the commission and the weak mayor-council forms offer the fewest possibilities for good administration.¹⁸

FUNCTIONS OF ADMINISTRATION

The administrative operations embrace numerous types of activities and various contacts with many employees and persons. Almost every writer on the subject of administration has set up his own classification for the duties of the administrator. This is a natural procedure, but it does not help greatly in the standardization of terminology.

Henri Fayol, an eminent French industrial administrator and essentially a man of action rather than a theorist, classified administrative operations as follows: planning, organization, command, co-ordination, and control.¹⁹ The foundation which he laid has been both praised and corroborated by other writers, one of the more prominent being the Englishman L. Urwick. On the basis of Urwick's development of Fayol's list, the administrative duties may be enumerated as follows: investigation, forecasting, planning, organization, co-ordination, command, and control.

Professor White, in his 1939 volume, devotes several pages to an enumeration of administrative functions of chief executives.²⁰ These may be summarized as follows:

¹⁸ See Stuart A. MacCorkle, *Municipal Administration* (New York, 1942), Chap. IV.

¹⁹ Henri Fayol, editor, "The Administrative Theory in the State," in Gulick and Urwick, *op. cit.*, pp. 8-9, 35-78.

²⁰ See White. *An Introduction to the Study of Public Administration* pp. 50-58

1. Main lines of administrative policy.
2. Orders, direction, and command.
3. Co-ordination.
4. Details of organization.
5. Finance.
6. Personnel (especially in higher brackets).
7. Supervision and control of administrative operation.
8. Investigation.
9. Public relations.

No doubt the general scope of these classifications is clear without discussion at this point.

Another present-day writer, Luther Gulick, has done much to draw attention to a word coined some time ago by a group interested in delineating the duties of an administrator.²¹ This word is made up of the initial letters of the following words indicating activities of the executive:

P lanning
 O rganizing
 S taffing
 D irection
 C o-ordination
 (O)
 R eporting
 B udgeting

There is some overlapping among the lists, and, for the most part, they cover in general the same content. However, attention should be called to the fact that under Urwick's charting of the Fayol list of administrative functions, the various duties connected with management of personnel and finance are covered by the general types of functions, especially organizing, co-ordinating, command, and control. Bearing this fact in mind, it appears that the Fayol list stands out as being perhaps the most comprehensive. Again, Fayol's

²¹ Quoted by Gulick in "Notes on the Theory of Organization," Gulick and Urwick, *op. cit.*, pp. 12-14.

list does not include mere duties, but all administrative duties. It therefore appears justifiable to use his listing as a basis for our brief discussion regarding the functions of administration.

Investigation. Investigation is in a sense basic to further activity on the part of the administrator. He must know what is taking place before he can evaluate it or act upon it properly. Investigation involves numerous activities, in many of which the administrator is assisted either by line officers or by his staff assistants. A considerable amount of the investigation may be formalized through routine reports which come up from the lowest levels of the organization and are presented in concentrated form to the administrator. Special reports or complaints may call particular conditions to his notice. He can be relieved of most of the routine of investigation, but there remains an important part which he himself must carry on. This includes familiarizing himself with the various departmental offices and to a reasonable degree with the personnel, hearing and understanding personal reactions of those within and without the organization to its policies and procedures, examining other organizations and talking with other administrators in order to obtain an objective view of his own undertakings, and many other activities designed to inform the administration of actual situations and needs.

Forecasting. Forecasting is one part of Fayol's prevoyance, and means simply looking ahead. It seems fairly obvious that in guiding any undertaking it is necessary to look ahead and to forecast probable developments in order to shape the organization and its policies toward the ends desired. Forecasting must not only deal with the organization itself, but with external conditions having a direct relation to it. It is intimately tied in with the activity of planning and is carried on by the same agencies.

Planning. Investigation and forecasting as individual entities combine to form one of the foremost of necessities in modern municipal management — planning. It is nothing more than effective and orderly forecasting based on sound investigatory action. In the POSDCORB approach of Gulick,

planning occupies a position of paramount importance.²² As such, it is broad in approach and not limited to the commonly accepted definition of a physical plan designed to promote beautiful and orderly development of streets, use areas, subdivision and zoning controls.²³ Administrative planning, as used in this context, refers to the over-all planning of personnel requirements, financial programs, and major work programs within line agencies, as well as physical planning. It is not limited to actions contemplated in the ensuing month, six months, or year; rather, it combines a long-range view with an estimation of the needs of the immediate future.

To be effective, planning must be all-inclusive and give adequate attention to all phases of administration which are apt to be involved. For example, a plan for development of a new work program within the city health department must take into account not only the physical work to be accomplished but the materials involved. Personnel requirements attendant thereto must be anticipated; the methods of financing ought to be contemplated; and the effect on present hierarchical structure needs be considered. The plan must be unified. It must be accurate and precise, based on scientific application of past experience and not on sheer guesswork. It should be flexible enough to permit change as necessary, but not to the extent of revocation or extermination.

Organization. The principles involved in organization have been covered previously; hence little attention will be devoted to this phase of administration at this point. The administration itself is responsible for very little of the organizational structure existing in our cities as far as creation and design are concerned. This is largely determined by the city charter and ordinances passed by the council pursuant to its provisions. Even so, the chief executive and his subordinate officers are responsible for seeing that the organizational

²² Luther Gulick, "Notes on the Theory of Organization," in Gulick and Urwick, *op. cit.*, pp. 12-14.

²³ See Thomas H. Reed, *Municipal Management* (New York, 1941), Chap. XIV.

framework is actually constructed in the manner prescribed by these legal mandates. After this is done, he is required to insure that the proper hierarchical relationships are maintained within the administration, and that the necessary channels of authority and responsibility are not interfered with or destroyed.

Co-ordination. Co-ordination is very vital to the success of any administrative program. It is that intangible quality which causes the various and distinct parts of the administrative organization to work in complete harmony toward the production of the best results. In the words of Professor Gaus, it is:

the task of obtaining this active consent of those persons in their day to day activity through careful allocation of functions, the cooperative evolving of working policy, the securing and making available of relevant knowledge, the determination of priorities in processes and activities, the delimitation and focusing of efforts and resources, and the recruiting and canalizing of the ideas and energies of persons in the organization.²⁴

Co-ordination is a dynamic process as opposed to the mechanical structure of organization — indeed, that element which gives life to organization. It is entirely possible for a poorly organized administration with effective co-ordination to achieve a remarkable degree of success. Sound organization makes for administrative accomplishment, but does not absolutely guarantee it. There must, in addition, be good co-ordination.

In common with other administrative operations, co-ordination is a function of the chief executive in organization. It does not terminate with his activities in the matter, however, because to be effective it must filter down, through and across lines of the hierarchy until it reaches the very smallest position in the city. Unless this happens, a part of the whole which may be well co-ordinated could have its efforts made nil by agencies working askance or at odds with established goals.

²⁴ Gaus, *op. cit.*, p. 69.

The staff attached to the office of the chief executive can be a vital organ in the establishment and maintenance of this all-inclusive process. The successful attainment of co-ordination depends upon individualized action of all administrative officials and employees who are working together as a group, as well as the utilization of technique by the high administrative staff. To achieve co-ordination, there must always be a singleness of purpose developed by each employee in the group, a constant realization of the goal toward which this purpose is fixed, and an enthusiastic desire to fit his individual task into that of the group with the least possible amount of friction.²⁵

Command. The command function arises out of the superior-subordinate employee relationship characteristic of the hierarchy. After the council has indicated a course of action for the administration, the executive through the medium of command directs his subordinates in the ways and means of its final accomplishment. The command function involves people, not positions by themselves. For this reason, personnel considerations come into play and vitally affect the success of administrative command. An employee will not perform to the best of his ability if he is disgruntled over such things as compensation, sick leave, or retirement, no matter how excellent the superior officer may be or how complete and perfect his directive.²⁶

The command function, though not so rigid and strict in civil administration as it is in the sphere of the military, is invaluable to successful achievement of desired results. It is not just the terse issuance of verbal and written orders. It is constituted by directives conceived in an atmosphere of tact and sympathy on the part of the administrator, yet firm in tone and complete in scope. Orders must be issued on the basis of mutual understanding. Where this is done, there results the counterpart of successful command — namely, leadership —

²⁵ This is essentially the "dominance of the idea" concept as developed by Luther Gulick in Gulick and Urwick, *op. cit.*, p. 6.

²⁶ For a complete examination of the various phases of personnel management, see Chaps. 16, 17, and 18.

under which subordinates are inspired to their fullest capabilities of work without unnecessary issuance of superfluous orders and reprimands from above.

Control. In effective control of methods and results lies one of the secrets of administrative success in municipal affairs. It is normally achieved by the chief administrator through the auxiliary agencies under his jurisdiction. The amount of money available to an agency for expenditure is controlled through the budget; material purchases are regulated by the central purchasing office under an integrated organization; individual expenditures are preaudited by the controller's office; and the number, type, and classification of employees in an operating unit are at least partially controlled by the personnel agency. If the assumption is made that the chief executive is to be wholly responsible for all acts performed by his administrative organization, it is reasonable to conclude that he should have the means and methods wherewith to control their actions and results. This is usually the case in a well-organized, integrated, and properly co-ordinated administration; but, even so, there are other factors to consider when dealing with this question of control. The council, through the enactment of appropriations, post audit, occasional appointment and removal of administrative officials, and other means, wields a very real direction in departmental affairs. In a democratic environment such as that within which we operate, ultimate control rests with the people, and directly or indirectly the attainment of administrative ends must conform thereto.

While these few pages have dealt with the duties of administration, it must be emphasized that the administrative functions, as well as the principles of organization, are not to be considered singly except as a matter of convenience, and never should they be isolated in the mind of the student. They are characterized by a great deal of interaction, one on another, and are all modified and influenced by the current and everchanging environment in which they exist. They have been broken down into parts here for the purpose of discus-

sion, but actually they interlace and entwine to form the moving, dynamic process which is administration. The student who thinks of them piecemeal or in isolation performs merely an interesting but meaningless intellectual exercise.

As has been intimated, a large part of the responsibility for all functions of administration rests upon the administrator himself. For this reason, it is desirable to take brief note of qualities and training required for the discharge of such responsibilities.

THE ADMINISTRATOR

The motion pictures in this country have built up a stereotype of the executive which has become fairly well fixed in the mind of the public. This person, as pictured to us, barks successive orders at numerous underlings, meanwhile answering telephones and pushing buttons with confusing rapidity. He treads heavily, with little regard for the sensitivities of others, but when brought out of his preoccupation, usually proves to have the proverbial soft heart beneath a rough exterior. Most administrators do not, as a matter of fact, fit into this pattern, although it is not altogether inexact. True, the administrator of any large undertaking is exceedingly busy; and it is necessary, for the sake of the organization, that every personal and mechanical aid possible be made available to him. Seldom, however, is the administrator actually such a bustling and temperamental whirlwind, busy though he may be. No doubt it may be said, too, that even the busiest executive is seldom so prone to ignore the important factors of personal relationships in the office. True, he must be able to keep in mind the major undertakings of the organization and their relative states of progress, see the essential outlines of the whole, and keep them well defined and the various parts balanced. But he must at the same time be sensitive to more intangible elements throughout the entire setup, so that he may fill the demands of leadership and the responsibility laid on him.

Fayol was among the first to take the position that as an

organization becomes larger, the requirements for technical training on the part of the administrator become less important and administrative training more significant. He went to some pains to indicate approximate proportions of training in finance, technical line operations, and the like required of administrators in organizations of various sizes.²⁷ In contrast, he points out that even in the large organization the lower officials must have more technical than administrative ability, the former decreasing and the latter increasing in importance as the scale of officialdom is ascended, so that at about the center of the scalar chain they are approximately equal. In other words, a general manager need have no intimate training in the various line functions, but must have broad administrative abilities; the foreman, on the other hand, must have chiefly technical training and ability; while the division chief, approximately halfway between the two, must participate almost equally in both processes. In terms of city government, for example, the chief executive of a larger city need not be an expert in fire fighting nor in engineering, although he should be familiar with administrative requirements and the methods of fulfilling them. It should be noted, of course, that in any small organization the chief administrator will in all probability have some immediate line, staff, or auxiliary function as his responsibility, since administrative duties probably will not consume all of his time and energy.

More modern experiments have tended to corroborate Fayol's judgment in this matter. The opinion is widespread that technical and administrative requirements vary with the degree of hierarchical authority. A number of years ago a chart made under the direction of Municipal Administration Service (now Public Administration Service) indicated that in cities of 10,000 or less population, technical ability on the part of the department head should approximate 75 per cent and executive capacity 10 per cent, while in cities of 500,000 and over, the same qualities should rate 5 per cent and 50 per cent respectively, general business, economic and experi-

²⁷ Fayol, *op. cit.*, pp. 10-15.

ence qualifications together growing from 15 to 45 per cent with the change from a small to a large city.²⁸ While these figures may not perhaps be taken as final, they tend to substantiate the opinion of Fayol and others, based on long experience and observation of the workings of organizations. In the city-manager field it will be noted that a number of men who have made a career of this profession began as engineers.²⁹ This is true because much of the work of municipalities deals with construction of streets, parks, public buildings, and the like; it also reflects the lack of training in managership in the early decades of this form of administrative setup. It may be noted, however, that in the larger cities with managers, abilities and experience have been broad enough to include much of finance and general administration in addition to, or rather than, single-line functions.³⁰

Now all of this does not necessarily make clear just what administrative ability is. What are the qualities that make an administrator? What is the training that best fits a man for such a career? No final answer can be given to such questions, but at least some suggestions may be made that have proved useful in the past.³¹ There has been some work in the direction of attempts to discover what qualities are essential to the successful administrator, although the argument still wages over whether executives are born or made. One student has, after investigation, reached the conclusion that executive ability consists of: (1) mental alertness or general intelligence; (2) social intelligence — tact; (3) energy or drive; and (4) loyalty or enthusiasm for the purposes of the organization.³²

²⁸ C. E. Ridley, *The Public Works Department in American Cities*, Publication No. 13 (Municipal Administration Service, New York, 1929), p. 49.

²⁹ C. E. Ridley and Orin F. Nolting, *The City Manager Profession* (Chicago, 1934), and Leonard D. White, *The City Manager* (Chicago, 1926), bring out this record.

³⁰ John N. Edy and Clarence A. Dykstra, for example, were outstanding examples of this recent tendency.

³¹ See Paul H. Appleby, *Big Democracy* (New York, 1945), Chap. IV, which deals with "Administrative Leadership."

³² Fred A. Moss, "Preliminary Report of a Study of Social Intelligence and Executive Ability," *Public Personnel Studies*, Vol. IX (January-February, 1931), pp. 2-9. Taken from John M. Piffner, *Public Administration* (New York, 1935),

It may be said in passing that the requirements for the administrator and the organizer are not necessarily entirely the same. The born organizer is perhaps best typified by the promoter type, who shows more interest and ability in the bustle and rearrangement characteristic of the organization or reorganization stage than in the more routine, day-to-day demands of administration. Although apparently no direct studies have been made of this type of person, it would appear that he has a great deal of energy and a quick grasp of structural relationships.

From the point of view of training, the administrator should have a speaking acquaintance with most of the technical fields involved in the work of the organization, though no more than is necessary for a general grasp of needs and aims. Since it is necessary for the administrator to work closely with the staff and auxiliary services, it is highly desirable that he have an understanding of their processes and techniques. Modern training courses for administrators are set up along the lines indicated by such a view, for they deal largely with finance, personnel, accounting, public relations, and general economic and social subjects rather than with the immediate line services.³³ The view is also generally held that the administrator should have broad cultural education instead of narrower skills along any exclusive line. The training of England's administrative class is based on this fundamental outlook and has apparently served quite satisfactorily in meeting the demands made on the group. No such well-defined class has been developed in this country, despite some agitation in that direction, and it is perhaps best that we work out our own answer to the problem here.

pp. 185-186. Marshall E. Dimock, *The Executive in Action* (New York, 1945), should be read by the student interested in studying the administrator.

³³ In the last two decades a number of large industrial organizations have taken active interest in training executives within the organization along the lines of administrative procedures. See, for example, Harold B. Bergen and Garret Lawrence Bergen, *Executive Training Program* (American Management Association, New York, 1929); and A. B. Gates, "A New Technique in Executive Training," *The Society for the Advancement of Management Journal*, Vol. I (January, 1936), pp. 9-14. A later volume relating to the same general subject is Frank Cushman, *Training Procedure* (New York, 1940).

The Municipal Civil Service



WITHIN the last decade the management of personnel in municipalities has assumed more importance. This is attested by the fact that as of January, 1946, more than one-half of the cities of 10,000 or more inhabitants have established some kind of formal organization for personnel work.¹ The reasons advanced for the awakening interest — which is likewise apparent in state and Federal governments — are varied. Not least among them, and perhaps one of the most impressive, is the number of persons now engaged in public service at the various governmental levels. In October, 1946, for example, the total number of employees in all governments exceeded six million, of which approximately one-sixth are in cities.²

The significant place of employees in the whole question of effective local government may also be viewed in terms of cost. As a matter of fact, more than 50 per cent of the city's operating budget usually goes to personnel.³ The amount so expended in the month of October, 1946, reached a total of \$205,800,000.⁴

¹ Fifty-six per cent of all cities over 10,000 have some classes covered under a merit system, and in the larger cities the percentage is very high. *The Municipal Year Book*, 1946 (The International City Managers' Association, Chicago, 1946), p. 135.

² "Public Employment in January, 1947," *Government Employment*, Vol. 8, No. 1, Preliminary (U. S. Department of Commerce, Bureau of the Census, Washington, D.C., April, 1947), p. 2.

³ William E. Mosher and J. Donald Kingsley, *Public Personnel Administration* (New York, Revised Edition, 1941), p. 40.

⁴ "Public Employment in January, 1947," *Government Employment*, Vol. 8, No. 1, Preliminary, p. 2.

Other and more subtle factors have contributed to the increasing interest in the management of public servants. The concern here, however, is not so much with causes as with the fact that such is the case.⁵ But it should be noted that this attention to personnel has not necessarily detracted from other aspects of the whole question of administration; all phases have received new emphasis under the impetus of what Leonard O. White terms "the new management."⁶ It is realized that the relations among the many phases of administration are essentially interactive; the best personnel, for instance, may be rendered highly ineffective by erratic and wasteful supply practices, or by poor financial management. As government has become more of a science, personnel has made its way from a position of purely incidental importance to one of prime significance. A committee, reporting in 1935 on problems of government service personnel throughout the United States, expressed this modern attitude in the declaration that "The success or failure of . . . government, and the kind of service which it renders, will rest in the last analysis upon the capacity and character of the men and women who constitute it. . . ." ⁷ From quite a different source, but of similar import, comes the following statement in regard to local government: ". . . men are in the last analysis more important than machinery. . . ." ⁸

HISTORY OF PUBLIC PERSONNEL PRACTICES IN THE UNITED STATES

The story of the shift in emphasis on personnel is an interesting one, and should be comprehended in general not

⁵ Some of the most interesting statistics on the growth in personnel administration are found in an article by G. Lyle Belsley, "Developments in 1939," *The Municipal Year Book*, 1940, pp. 97-100. Here, for example, it is noted that between 1883 and 1935 civil service systems were established in our cities at the rate of about nine each year, while since 1935 the rate has been approximately thirty per year.

⁶ Leonard D. White, *Trends in Public Administration* (New York, 1933), pp. 43-46.

⁷ Commission of Inquiry on Public Service Personnel, *Better Government Personnel* (New York, 1935), p. 15.

⁸ "The U. S. Political System," *Fortune*, Vol. XXI (February, 1940), p. 90.

only by the specialized student but also by the citizen who has an important stake in government. The history may be divided roughly into four periods representing changing attitudes toward the civil service,⁹ and are summarized under the more or less descriptive terms of competence, spoils, reform, and new personnel administration.¹⁰ Since it is practically impossible to separate the development of personnel practices in the cities from those in other units of government, the discussion here is in general terms. Special emphasis is given, however, to the attitudes in municipalities.

Competence. During the first few years after 1789, the question of personnel was a subject of concern more than of controversy among governmental officials. Every effort was bent in the direction of assuring the success of the new governments. This was especially true in the Federal Government, which in a sense sets the style for the constituent units. Officeholders were chosen from among the upper classes and frequently served with little or no remuneration; in other words, governmental service was viewed somewhat paternalistically as a duty of the well-to-do, much as in England. Rewards were measured in terms of prestige and moral satisfaction, as well as in power and incidental economic advantage.¹¹

⁹ It is well at this point to distinguish several terms which will be employed frequently throughout the chapters on personnel. "Civil service," properly speaking, refers to all governmental employees other than those in the legislative, judicial, and military branches; it is so used here. "Merit system" refers to formal provisions for the employment of civil servants on the basis of ability. See the definitions in *The Civil Service in Modern Government* (National Civil Service Reform League, New York, 1937), p. 5. These two terms are often confused and are sometimes used interchangeably, but that practice is not followed here. "Personnel administration" is a broader term and includes all policies and practices, formal and informal, that relate to employment and management of civil servants.

¹⁰ It is of course impossible to assign specific dates to periods in a historical discussion such as is attempted here. Nevertheless, for the guidance of the student the following approximate dates may be suggested: *competence*, 1789-1829; *spoils*, 1829-1883; *reform*, 1883-1925; *new personnel administration*, since 1925. Other divisions are possible. See, for example, Henry G. Hodges, *City Management* (New York, 1939), pp. 52-57; Mosher and Kingsley, *op. cit.*, pp. 14-37; Harvey Walker, *Public Administration in the United States* (New York, 1927), pp. 136-138; and Leonard D. White, *Introduction to the Study of Public Administration* (New York, Revised Edition, 1939), pp. 277-287.

¹¹ For a standard treatment of the subject down to the beginning of this

Washington and his immediate successors chose their officials largely on the basis of ability to render good service; in general the same standards were held in lesser governments. By the time of Jefferson's presidency, however, the rise of political parties made the question of partisan representation in the civil service for the first time a serious one. Jefferson advanced the principle of "due participation," by which it appears that he meant a balance between the major parties in the ranks of governmental employees.¹² He did not by any means, however, forsake the standards of competence. But as party feelings became stronger during the second and third decades of the nineteenth century, Jefferson's principle of due participation was re-interpreted to imply that the victorious political party possessed the right to dispose freely of offices and employments among its adherents.

Spoils. The advent of Andrew Jackson, champion of a new democracy, to the White House placed a public seal of approval on the "spoils" technique, already perfected in more than one state.¹³ Wholesale dismissals and replacements characterized not only the national government, but states and local areas as well. While reward for political effort and assurance of future activity were perhaps the chief bases for appointment, there were others, too; family connections, friendship, and charity were sometimes motivating forces.

century, see Carl Russell Fish, *The Civil Service and the Patronage* (New York, 1905); Chaps. I to IV relate to the period prior to 1829.

While ordinarily this period of the American civil service is looked upon as one of generally high quality of administration, one recent writer, referring to it as "caucus management," characterizes the procedures as "undemocratic, . . . secret, entirely extra-legal, and irresponsible." Hodges, *op. cit.*, p. 54.

¹² See the quotations in Fish, *op. cit.*, pp. 29 ff., 35.

¹³ *Ibid.*, p. 79; Chaps. V to IX deal with the spoils period. The classic statement of the philosophy, "To the victor belong the spoils," is sometimes erroneously attributed to Jackson who did, however, adopt it wholeheartedly. The slogan was originated by an adviser from New York State, already a stronghold of spoils. See Carl Russell Fish, *The Rise of the Common Man* (New York, 1927), p. 41.

Friedrich sets 1801, the year of Jefferson's inauguration, as the beginning of the modern spoils system, in the sense that patronage, as part of the spoils system, was by then a "recognized tool" of party managers. Carl Joachim Friedrich, "The Rise and Decline of the Spoils Tradition," *The Annals of the American Academy of Political and Social Science*, vol. 189 (January, 1937), p. 13.

Suitability of the appointee to the job, while not entirely lost from view, was in the early stages of the system but one of numerous factors and later was frequently ignored.

It must be realized that these developments were not altogether illogical; in a sense they were implicit in doctrines long accepted by American political leaders. Jefferson had advocated direct participation of the citizen in the business of government for the purpose of education in democracy. Fear of tyranny as a result of lengthy terms of office was not uncommon.¹⁴ The principle of rotation in office, which became integrated with the spoils system, was not unrelated to these ideas. The spoils philosophy had its roots in a period when American culture was predominantly rural and agricultural, when politics was undergoing democratization. Jackson did no great injustice to conditions of his day in his statement that the duties of government were so simple as not to exceed the ability of the average citizen.¹⁵

We are not attempting to justify the spoils system in itself, but merely calling the reader's attention to the fact that the genesis of that system was perhaps not flagrantly inappropriate to the period. But the system outlived its day, and the attitudes toward public service that grew up during the nineteenth century are properly characterized as fallacious today. Some of those ideas that are no longer apt are, as listed by the Commission of Inquiry on Public Service Personnel: the basic idea that governmental jobs are the property of the dominant political party, the concept of duties of government as "plain and simple," the notion that public jobs are forms of charity, and the identification of tenure and tyranny.¹⁶

The position of municipalities during the spoils period is a subject of interest. There were few cities of any great size at the time of Jackson's inauguration in 1829, but in those few the spoils system flourished.¹⁷ The ranks of political parties,

¹⁴ United States Civil Service Commission, *A Brief History of the United States Civil Service* (Washington, 1933), p. 6.

¹⁵ See the frequently quoted statement on this point in Fish, *op. cit.*, p. 112.

¹⁶ Commission of Inquiry on Public Service Personnel, *op. cit.*, pp. 16-18.

¹⁷ See Mosher and Kingsley, *op. cit.*, p. 19.

usually affiliated with state and national parties, were cemented together by a system of patronage; appointive positions were viewed as rewards for political service, while a strict policy of rotation in office was followed for elective positions; and in time full advantage was taken of the opportunities for graft. Toward the end of the century such conditions might be described as lingering on, and were publicized by Lincoln Steffens and other muckrakers.¹⁸ The spoils system had a tenacious hold on city, county, state, and Federal units of government.

Reform. As the area of governmental activity expanded and as the mechanisms of government grew more complex, the effect of the spoils system became more and more serious. Inefficiency was too often the order of the day, while graft and dishonesty in various forms were openly practiced. Inevitably a reaction set in, beginning as early as the 1850's and culminating, in the Federal Government, in the passage of the Pendleton Act, which in 1883 established the merit principle as the basis of selection of many Federal employees. The demands that spoils be outlawed had been formalized by the National Civil Service Reform League, which was established in 1881 and led the last stages of the educational, propagandistic, and pressure campaign in Congress and in the country at large.¹⁹ Cities fell into line with the new movement, and there were signs of a reaction against the most blatant practices of the spoils system.²⁰

It must be noted that the motivations for the reform movement were moralistic and preventive, the methods largely negative. The waste of public funds and resources was looked

¹⁸ Lincoln Steffens' *The Shame of the Cities* (New York, 1904) is one of the most familiar products of the muckraking period and one of the most pertinent to this discussion.

¹⁹ For a brief review of the origin and history of the League, see H. Eliot Kaplan, "Accomplishments of the Civil Service Reform Movement," *The Annals of the American Academy of Political and Social Science*, vol. 189 (January, 1937), pp. 142-147. A more detailed account will be found in Frank Mann Stewart, *The National Civil Service Reform League* (Austin, 1929).

²⁰ See William Dudley Foulke, *Fighting the Spoilsmen* (New York, 1919), especially Chap. XVI.

upon with horror, and indignation was expressed on behalf of the helpless employee who, though not always innocent, was at the mercy of the politicians. The dominant idea in reform proposals was to protect the mass of employees from the whims of the political bosses rather than to assure a competent and alert civil service. It was advocated that agencies separate from the regular departments be established to examine applicants on the basis of merit, that these agencies certify to the appointing authority the names of qualified applicants, that the appointment be made from such a certified list, and that the employee be assured of tenure during good behavior. The current view of personnel administration is a broader one, but in 1883 and the immediately subsequent decades even a restricted reform movement served to influence public opinion, laws, and policies in the direction of mitigating the spoils system.

Between 1883 and World War I, the merit system gained headway in municipal and national governments, while states and counties tended to lag behind. In municipal government especially, the advances in the field were part of a general interest in improved administration and a growing professionalization of municipal services.²¹ Near the turn of the century great interest was being taken in the commission form of city government, while by 1915 the city-manager form had been developed and was gaining wide recognition. Coincident with the development of these forms came experimentation with "civil service systems," usually modeled on the plan used by the Federal Government. Popular features embodied in typical laws were an independent multi-member commission, the use of competitive examinations for applicants, and the right of the employee to appeal from arbitrary dismissal. Cause for removal was often stated in the law, and the administrative officer was frequently required to offer proof of cause in justifying his discharge of employees. While such practices

²¹ Mosher and Kingsley, *op. cit.*, p. 23, cite three movements as contributions to the evolution of the American governmental bureaucracy: those for civil service reform, for efficiency and economy, and toward centralization.

served their original purpose, they were not adequate for situations that became increasingly complex and for a public service that grew constantly larger and more diversified.

New Personnel Administration. World War I interrupted many developments in public administration, and it was not until the middle of the 1920's that thought and activity in personnel management regained full swing. By that time the initial goals of the reform movement had been generally accepted by the public and among city officials, although in some metropolitan centers spoils still maintained its stronghold. Students had realized, however, that reform was not enough, and agitation was beginning for a broader and more positive outlook in all public administration.

Personnel was caught up in this movement.²² The goal became not merely the ousting of the politician from arbitrary control of the civil service, but the assurance of a body of well-trained, alert public servants able to pursue efficiently the day-to-day work of government under the direction of officials responsible to the public will. The highly technical nature of many governmental activities has made it increasingly obvious that if the public is to receive equal value for its investment, care must be taken not only to choose the most capable applicants, but also to make the best possible use of their skills through all the means at hand.

The improvements in general administration have been furthered in part, both directly and incidentally, by numerous professional organizations of specialized workers, such as engineers, lawyers, and purchasing agents, and of administrative officers.²³ More slowly the rank and file of employees has organized to protect its merit status and to promote the

²² The early years of the depression witnessed a slowing up of some of the advances in personnel administration, but apparently the interruptions were short lived. Leonard D. White, "Municipal Personnel," *What the Depression Has Done to Cities* (The International City Managers' Association, Chicago, 1935), pp. 7-10.

²³ *The Municipal Year Book*, 1940, *passim*, lists nineteen "national professional organizations of chief municipal officials" (not including elective officers) in thirteen fields. There are, in addition, numerous citizen and other societies interested in the promotion of good public administration. *Ibid.*

system.²⁴ Personnel administration has shared in these developments, although as yet its professionals are few. Present organizations in the interest of public personnel include, among others, the Civil Service Assembly of the United States and Canada which was formed originally for members of civil service commissions, the Society for Personnel Administration, the National Civil Service Reform League, and the National League of Women Voters which has in recent years fought for higher personnel standards and for public education in personnel problems throughout the country.²⁵

From a modest beginning in the effort of officials to compensate faithful and capable party workers with patronage, the spoils system grew into a monster of irresponsibility and dishonesty that threatened not only the operation of the government, but also the popular faith in democracy. In 1883 the situation was so serious that questions of efficiency were overshadowed by the need for moral reform. By 1925 this need had in large part been met, and students and practitioners of administration alike were free to turn to considerations of a more positive nature. Progress in personnel administration has continued, and the aspect today is encouraging. Nevertheless, many techniques are still unmastered, and there are cities yet untouched by progressive movements.

PROBLEMS OF PERSONNEL ADMINISTRATION

It was stated above that the present attitude toward the public service holds that the best personnel must be found and that every means must be used to make the most of their services. The implications of such an attitude are numerous and by no means always simple. It is highly desirable that the pub-

²⁴ See *The Municipal Year Book*, 1937, pp. 232-236, and *ibid.*, 1946, pp. 131-134.

²⁵ See *A Directory of Organizations in the Field of Public Administration* (Public Administration Clearing House, Chicago, 1938) for brief descriptions of these organizations; also *The Municipal Year Book*, 1942, pp. 261-264. In 1935 and 1936 the National League of Women Voters began an active campaign toward improved personnel in government, an initial move of which was publication of a pamphlet by Katherine A. Frederic, *Trained Personnel for Public Service*, a good general survey of conditions and needs in the public personnel field.

lic, the governmental official, and the student maintain open minds in order that tradition may not blind them to improvements in the means of realizing the most from the civil service. An attempt is made here to suggest the ramifications of problems presented to the personnel administrators, further treatment of the questions being reserved for later chapters.

In the first place, officials are faced with the task of setting up an agency to conduct personnel work, to make the basic decisions on policy, and to take charge of the routine administration. Shall this work be entrusted to one person, or to three or five of co-ordinate rank? What shall be the relation of the agency to the city's council and to the chief municipal administrator, and how far into the various departments shall the responsibility of the agency extend? These are matters of organization and form the foundation of the system.

Once an agency is established, it is charged with the responsibility of procuring for the service public servants of high quality. It must determine the relative abilities of applicants and of their potentialities for development. Sometimes there are too few applicants for an important position or too many for jobs in the lower ranks. The problems of finding and ranking applicants are treated under the headings of recruitment and examination.

To what extent can educational standards be set up for the holders of various positions, and to what extent shall the agency itself be required to give specialized training to new employees and to ambitious old ones? The questions of education and training are now regarded as of great significance, and in some respects they overlap the problems already mentioned. They cannot be ignored by the personnel agency, but must be faced and decided.

How shall the best employees be selected for promotion to higher positions, and how shall inefficiency and efficiency be determined? How shall discipline be maintained among the rank and file of workers? Promotion policies, service ratings, and discipline are closely interrelated, although not mutually inclusive.

The city must be fair and democratic in the treatment of its workers. It should attempt to maintain a fair level of pay, and have an equitable relation between work done and pay received within the service. To do this, its officials must be definitely cognizant of the characteristics of each position. Among many complex jobs, how is a standard of equal treatment to be achieved? Students of personnel administration have assigned the terms "position classification" and "compensation policy" to these problems.

On what basis shall the employee be separated from the service, and if he is old or disabled, what provision shall be made for him, if any? In these days when social responsibility is imposed on both private and public agencies, questions of retirement and pensions are frequently the cause of much concern to the local governments and present difficult problems leading into questions of broad economic significance. Related to them are a myriad of problems, during the incumbency of the employee, which may be grouped under the heading of welfare. What allowance, for example, shall be made for sick leaves, for vacations, and shall an employee's income continue during those periods? Are his working conditions healthful? Do they penalize active pursuit of duties or do they stimulate effort?

Since the rise of labor and worker unions, governments have faced, too, the question of the organization of public servants. What attitude shall the local unit take toward such employee organization? To what extent shall it be encouraged, discouraged, or influenced?

Here in broad outline are indicated the questions which rise to confront the local government with regard to its workers. They are not problems of theory. They are very practical, even though the relation between a given problem and the goal of a satisfied and capable personnel is not always immediately apparent. In the realm of some of these problems much is known of satisfactory procedures and standards; in others experimentation is still in early stages; while others are as yet just breaking into our consciousness with solutions

scarcely suggested. The city administrators labor under the responsibility of making use of what is known and of attempting some solution of their unsolved personnel problems.

CAREER SERVICE

One of the most insistent emerging personnel problems at all governmental levels, and one that cuts across the questions just reviewed, concerns the need for making public service a career that will offer to ambitious men and women a field for lifetime, satisfactory work. Only by accomplishing this is it possible to attract and retain personnel of the highest quality in public service. Since the publication of the report of the Commission of Inquiry on Public Service Personnel in 1935,²⁶ this question of a career service system has occupied a prominent place in the deliberations of students of municipal administration, some of whom have concluded that "the time has come when development of a career service should advance from the discussion stage to the field of action."²⁷

Recognizing that the municipal service as a whole did not offer real career opportunities, a committee of The International City Managers' Association in 1937 analyzed obstacles to such an aim and recommended action for cities desiring to overcome those handicaps. The difficulties may be summarized briefly in terms of limited recruitment and mobility arrangements — i.e., residence and political restrictions, lack of transfer, and low entrance qualifications; lack of systematized, progressive personnel programs; and inadequate compensation in terms of both money and prestige. Significant among the recommendations for surmounting difficulties is an insistence on education of the public in the advantages of a career service system, together with such

²⁶ Commission of Inquiry on Public Service Personnel, *op. cit.*; see especially Chap. II, "Needed: A Career Service." The Commission defines a career as "an honorable occupation which one normally takes up in youth with the expectation of advancement, and pursues until retirement," and a career service system as "the aggregation of laws, organization, rules, and procedures by means of which a career service is maintained and developed." *Ibid.*, p. 25.

²⁷ *A Career Service in Local Government* (The International City Managers' Association, Chicago, 1937). The succeeding discussion in the text is based largely on this pamphlet.

steps as improving standards of service and pay, training and promotional opportunities, and various intergovernmental arrangements for improvement of personnel.

A career service system involves the opportunity not only for advancement within one division or jurisdiction, but also for transferring from one municipality to another, usually a larger one. It must be noted that in some fields the municipal service has well-established career services hardly surpassed by the larger units of government. Examples are engineers, librarians, managers, health officers, police officers, personnel directors, recreation leaders, and teachers. Extension of similar opportunities to other municipal employments would have beneficial results for cities individually and as a group.

PERSONNEL ADMINISTRATION IN SMALL AND LARGE CITIES

Most discussions of municipal personnel administration assume a unit large enough for considerable specialization. This means not only a city of fairly large population, but also a body of civil servants numbering in the scores or hundreds. Further, it assumes funds sufficient to support a personnel division of one or more persons. The student is aware, however, that this country includes numerous small cities or towns in many of which it is impossible to support specialized officers in the fields of regular municipal services, not to mention staff and auxiliary officers.

As a matter of fact, cities cut across all population groups in this country, short of the nation itself. Many of our municipal corporations equal and surpass in size many counties; it is a familiar situation in which the population and government of a county are made up almost wholly of the urban area and its inhabitants. Among the larger cities several may be found that outnumber the less populous states of the Union, and in these metropolitan areas the problems of government approach those of the states. New York City, for instance, has some nine or ten times the number of public employees found in the state service of New Jersey.²⁸

²⁸ White, "Public Personnel Administration," *loc. cit.*, p. 494.

With such wide variance in the population of cities and the number of their employees, it is clear that the methods of dealing with civil service problems will likewise vary. The manager-engineer of a city of 5000, for example, cannot put into practice the methods recommended for such a city as Chicago or Los Angeles. Nor, as a matter of fact, can a city of even 50,000 follow in the footsteps of her more populous and more wealthy sisters. The question then arises, at what point does specialization in the personnel function become necessary and justifiable? Further, what shall guide the small city in managing its civil service?

While it is not possible to answer the first question definitively, some suggestions may be made. A recent monograph reporting certain experiments in a group of Michigan cities suggests that the city with 500 or more employees, or of about 75,000 population, needs a full-time, specialized personnel administrator.²⁹ In a study made several years ago with respect to municipal police administration in another state, it was found that cities between 40,000 and 100,000 had some specialization within the police department, while above that upper limit specialization was a common feature.³⁰ In the latter study, it will be noted, the specialization referred to was within a regular functional department, while the Michigan report is concerned with the establishment of a full-time auxiliary service. Thus the two reports are not contradictory in their tentative conclusions. The student may keep in mind, then, that the discussions of specialized divisions apply most appropriately to cities of 75,000 or 100,000 population or more.

The question still remains as to what course shall be pursued by officials of the smaller cities. It must be emphasized that

²⁹ *Personnel Programs for Smaller Cities* (Public Administration Service, Chicago, 1940), pp. 4-5. This booklet contains an excellent statement of the dilemma of cities of from 50,000 to 100,000 population with respect to personnel management, and a report of the solution undertaken by a group of cities in Michigan through the aid of Public Administration Service.

³⁰ R. Weldon Cooper, *Municipal Police Administration in Texas* (Bureau of Municipal Research, Austin, Texas, 1938), pp. 32 ff.

the problems are in nature the same regardless of the population level, but they differ in degree. The smallest hamlet faces the questions of retiring its aged workers, which clerk is most worthy of promotion to a vacancy, and so on. These problems have been in the past, and are now, solved chiefly by rule of thumb. In rural and semirural areas such solutions probably have some merit, but they will not suffice for the municipality whose employees begin to be numbered by three digits. The general principles implicit in the highly organized personnel departments of the larger cities may frequently be applied to the smaller units as well, and this should be kept in mind throughout the discussions to follow. Further, for smaller cities, intercity co-operative arrangements or state-city co-operation offer fruitful possibilities.

The Personnel Agency

IN THE PRECEDING chapter an indication was given of the problems which the municipality faces with reference to personnel matters. It has become increasingly apparent that there must be some agency responsible for administering the policies adopted by the governing body and for bringing together the department heads so that their actions in the personnel field may be co-ordinated. In the establishment of such an agency the governing body is called upon to answer several important questions. Not only must the structure of the personnel office itself be outlined, but its relation to the council, to the chief executive, and to other municipal departments must be made clear. Furthermore, the scope of action of the personnel agency, in terms of both employees affected and duties to be performed, must be determined.

The legal basis for a municipal personnel system will be determined in part by provisions of the state constitution and statutes. In some states, cities have no power to create their own personnel systems and are constantly subject to legislative action, either in the form of permissive laws or, as in Alabama,¹ for example, by direct creation of a local system by the state. Home-rule cities usually may include a merit system in their charters if desired; in other cities the personnel agency may be established by ordinance, while in still another group merit

¹ The Alabama Legislature has provided city-county systems for two of the urbanized areas in that state. *The Municipal Year Book*, 1940 (The International City Managers' Association, Chicago, 1940), p. 98.

principles may prevail without formalization. Charter provisions provide in general the greatest protection for the system, if the original law is sound. Systems established by ordinance have greater flexibility than those fixed by charter, but they are also subject to manipulation by a council not in sympathy with the spirit of merit principles. A majority of the students of public administration today seem to advocate that the basic provisions be fixed by charter, at the same time allowing for the filling in of details by the personnel office with council approval.²

One of the first questions raised in connection with the establishment of a personnel agency relates to the employees, officers, and departments to be included in its jurisdiction. The positions over which the functions of the central office extend are usually referred to as the "classified service." They often include only the fire or police department, or both; or they may extend to other specified departments; and in a number of cases they include all municipal employees except elective officers, certain confidential employees (such as secretary to the mayor), and department heads. Day labor is sometimes included, but frequently is not. The present tendency, in the municipal field as elsewhere, seems to be toward expansion of the merit system³ "upward, outward, and downward."⁴ Recent movements for extension upward take the form chiefly of recommendations to include department heads in the merit system, the executive to be given a choice from several certified names. One writer suggests that city managers may soon be placed in the classified service.⁵

² See, for example, *A Model City Charter* (National Municipal League, New York, Fifth Edition, 1941), pp. 46 ff.

³ In January, 1946, of 1072 cities of over 10,000 population reporting on their civil service systems, 390 (more than 36 per cent) stated that jurisdiction extended to all departments. *The Municipal Year Book*, 1946, p. 135. There are, of course, a great many cities without formal provisions of any kind.

⁴ This is the phrase used by the President's Committee on Administrative Management in its recommendations for the Federal system, but it applies equally well to cities. See the *Report with Special Studies* of that Committee (Washington, 1937), pp. 7-14, 59-133, for one of the most intensive studies in personnel administration that has appeared.

⁵ Henry G. Hodges, *City Management* (New York, 1939), p. 65. Recommenda-

A second problem concerns the functions to be performed by the central agency. The traditional duties of the civil service commissions include the preparation and administration of examinations, the establishment of rules and regulations for the classified service, and final decisions on appeals from dismissed or otherwise disciplined employees. Many modern agencies are, however, charged with much more extensive duties, as will be noted in the following chapter.

FORM AND LOCATION

When the jurisdiction of the agency has been determined, its form and its place in the organization of the city as a whole must be considered. No single, final answer may be given to either of these questions. Each city presents a special problem, and organization or reorganization must take into account local traditions and public opinion as well as theory. As John M. Pfiffner aptly states, a final determination must "hinge on political environment."⁶ American students and sometimes practitioners alike are frequently impressed by the supposed perfection of forms and forget that even the best type of structure may be undermined by unsympathetic incumbents. That "there is no permanent magic in forms" has been realized through sad experience more than once in the history of American governments.

The Independent Commission. The personnel agency of the reform period was almost universally a civil service commission. It was thus plural in form, being modeled after the United States Civil Service Commission and consisting of three or five members appointed for overlapping terms by the executive, frequently with consent of the council. It was tions for inclusion of department heads and manager in the classified service are in direct contrast to the theory applied in modern reorganization plans for state and national governments. In those plans, appointment of policy-forming officials by the (political) executive is usually recommended. See, for example, President's Committee on Administrative Management, *op. cit.* The situation in cities is clearly different, however, especially under the manager form. A good case for inclusion of higher officials in the merit system is to be found in Austin F. Macdonald, *American City Government and Administration* (New York, Third Edition, 1945), p. 352.

⁶ John M. Pfiffner, *Municipal Administration* (New York, 1940), p. 133.

usually required that the commission be bipartisan, the dominant party having the larger number of members. While commissioners in the Federal system may be removed by the President, the municipal agencies were usually not so definitely subject to executive control. Hence they were for practical purposes independent. The commission was customarily given the responsibility of examining applicants and furnishing department heads with a certified list from which appointments were to be made, and the power to review the appeals of dismissed or suspended employees. It therefore actually controlled the employment and dismissal of municipal servants.

The object of the reformers in establishing an independent agency was to place a check on the administration, which under the spoils system had often shown more concern for rewarding party workers than for the efficient conduct of public business. The independent, bipartisan commission was the form developed, with characteristic American optimism, to put an end to all evils affecting the civil service. The basis of the whole structure was distrust of the administration, but the form devised did not serve to decrease that distrust. Rather, it frequently tended to promote jealousies and to widen the chasm between administrative officers and the commissions, the employees generally aligning themselves with the latter. Under these circumstances the administration of municipal affairs might conceivably be brought almost to a standstill by a deadlock between line officers and commission on filling some important position. Further, it was discovered that bipartisanship does not guarantee fair play on the part of the civil service body. For example, with two members of one party and one of another, it is easy for the majority to overrule the minority or, on the other hand, for the three to agree to a division of the spoils.⁷

Despite these difficulties, it cannot be said that the in-

⁷ See the comment of Leonard D. White, after experience on two civil service commissions, municipal and Federal, in his *Introduction to the Study of Public Administration* (New York, Revised Edition, 1939), p. 293.

dependent commission has never proved successful. During the period of reform it made definite contributions by exploring the field of merit employment and by accustoming the public to a central personnel office, when in most cases no single administrator would have been trusted with its functions.⁸

In addition, however, to the handicaps of uncordial relations with the administration and of failure to guarantee nonpolitical action, the independent civil service agency offered all the usual difficulties of the plural body for administration.⁹ As additional functions were required of the personnel agency, these difficulties became more apparent and a search was made for other forms of organization. The three- or five-member commission remains dominant in American cities,¹⁰ but current thought, acknowledging its service where public opinion will not support a single administrator, encourages nonpartisan rather than bipartisan composition of the body.

The Single, Integrated Administrator. As merit principles were more widely accepted, concern with reform in public employment systems was superseded by the necessity for administration of high quality and aggressiveness. To meet this need a new system has been advanced. First used by Massachusetts in 1919, but not adopted on a wide scale by cities until later, this system comprises a single administrator for personnel, directly responsible to the chief executive. As a matter of fact, the executive himself may be given direct legal responsibility for personnel.¹¹ Such a move indicates growing

⁸ Mosher and Kingsley cite as the outstanding contributions of the independent commission and the reform movement: (1) the establishment of competitive entrance examinations; and (2) the organization of a central agency for personnel as a function of management. These form a significant part of our present-day concept of personnel administration. William E. Mosher and J. Donald Kingsley, *Public Personnel Administration* (New York, Revised Edition, 1941), p. 72.

⁹ See the discussion of forms, *supra*, Chap. IV. Treatment of advantages and disadvantages of the plural executive may be found in any standard work on administration. Mosher and Kingsley, *op. cit.*, pp. 57 ff., 636 ff.

¹⁰ See personnel data for cities above 10,000 population, *The Municipal Year Book*, 1944, pp. 207-226.

¹¹ Of forty-eight manager cities surveyed recently, thirty-five made their managers legally responsible for the selection of personnel. Harold A. Stone, Don K. Price, and Kathryn Stone, *City Manager Government in the United States* (Chicago, 1940), p. 99.

confidence on the part of the public in its local governmental officials. Further, it facilitates integration of the personnel program with other activities under the direction of the mayor or manager, and it may also lead to more effective day-to-day administration. For successful operation, however, this system requires a sympathetic executive and a well-trained personnel officer. Frequently, where this form is used, it is recommended that the personnel administrator himself be placed under merit provisions and be chosen from an eligible list made up by a special examining committee.

It is not uncommon in the single-administrator, integrated system, to provide a commission or board whose functions are purely advisory to the personnel officer and the chief administrator. Such a body acts only on request of the regular city officials, and its findings and recommendations carry no authority. To the administrator, however, the assistance of an alert and willing advisory group can be invaluable. Berkeley provides an example of this type of organization. Since 1923 the manager in that city has been charged by the charter with full responsibility for personnel administration. In practice, most duties were delegated to a director of personnel and research. Only a few years ago the city established an advisory board to make suggestions in connection with certain personnel problems. A somewhat similar organization is found in Saginaw where the city manager, made responsible in the charter for personnel, is empowered to call on an advisory board for assistance and on the secretary of the board for many administrative duties.¹²

The Combination Agency. A form for personnel administration that has steadily gained popularity in recent years is in effect a combination of the independent commission type and the integrated, single-head agency. Under this form a commission is appointed to perform quasi-legislative and quasi-

¹² Maxwell A. DeVoe, "Personnel Programs in Two Manager Cities," *Public Management*, Vol. XVIII (July, 1936), pp. 195-200; and *Personnel Programs for Smaller Cities* (Public Administration Service, Chicago, 1940), pp. 8-9. The latter booklet contains a good brief description of various forms for personnel administration, together with some discussion of their relative values.

judicial functions (e.g., rules and regulations, and appeals), while a single person is given responsibility for regular administrative duties.¹³ A number of variations on the basic pattern have been developed, but the essence remains the same.¹⁴ To preserve the value of the plan, however, the director of personnel must be made an integral part of the regular city administration and must work closely with the chief executive on administrative matters.

This device satisfies the demands of those who fear the concentration of authority in the executive, and at the same time effects a degree of dispatch and integration. It is possible for a commission given full authority in the law to limit itself by rule, assigning most personnel duties to an executive director or similar officer, but it is seldom to be expected that men will thus voluntarily prescribe their powers. If the commission remains independent, it becomes imperative, especially as the personnel program is broadened, that some provision be made for co-ordination of its work with that of the regular departments. Where commission and director are both used, it is desirable that a clear distinction be made between the administrative duties of the director and the advisory or other functions of the commission. Without such demarcation the commission may tend gradually to take over administrative functions, thereby losing the advantages of the single-head form.

State and County Aid to Cities. A word must be said as to cities operating under state civil service administrations. A number of states, including California, Massachusetts, Minnesota, New Jersey, New York, Ohio, Rhode Island, Tennessee,

¹³ See *Draft of a State Civil Service Law* (National Civil Service Reform League and National Municipal League, New York, c. 1939), secs. 3-7, the provisions of which are applicable to larger cities as well as to states. The form proposed in this "model" includes a three-member commission with advisory, rule-making, and appellate functions, a single director being made responsible for regular administration.

¹⁴ In the *Model City Charter* of the National Municipal League, pp. 46 ff., the personnel director is to be assisted in nonadministrative functions by a three-member personnel board. For an interesting discussion of personnel arrangements in a group of selected manager cities, large and small, see Stone, Price and Stone, *op. cit.*, Chap. 5.

and Wisconsin, have provided central agencies that may serve the personnel needs of their cities.¹⁵ The system may be either compulsory or optional for cities. Arrangements take various forms and have different effects on municipal personnel management, depending not only on the nature of the legal provisions, but also on the attitudes assumed by the state commissions and on the interunit relationships evolved. In any case, the technical aid given by the superior agency must be related to local conditions, and adequate records must be kept in the municipal office. In other words, the city faces the task of co-ordination, as well as many duties for which external aid is not necessary. In this situation it is customary for the municipality to combine local responsibility for personnel with that for other functions such as research, purchasing, or financial duties. The practice of combining personnel with other functions is also necessarily followed in smaller cities, even when they are not subject to state supervision.

Los Angeles County offers aid in civil service matters to municipalities within its limits, the program being co-ordinated with that of state aid to local units; in Michigan the Municipal League sponsors a personnel service available to cities — to mention but two of the co-operative arrangements possible among agencies seriously concerned with personnel problems.

Personnel as a Tool of Management. Modern experiments reflect the spread of the concept of personnel administration as an administrative tool. In manager cities, for example, the manager is judged on the basis of results achieved; he naturally feels that he must be given considerable freedom in the realm of personnel if he is to render his best service. In mayor-council cities where the personnel agency is co-operative and nonpolitical, it is possible to integrate civil service administration with the line aspects of administration. Personnel administration then becomes a tool of the executive and a means to the end of good management, but in a nonintegrated

¹⁵ *The Book of the States*, 1945-46 (The Council of State Governments, Chicago, 1945), p. 156.

form of city government this is not so easily achieved. Nevertheless, a group of willing administrators may overcome many obstacles by planned and concerted action on their part.

Students of administration agree that the use of personnel as a tool of the executive in management is desirable. One writer comments, for instance, that if any one factor in a forward-looking program for public employees "is more essential than any other it is the personal and continuous participation of the chief executive in personnel management," and that progress in the field "will be in direct proportion to the interest and the efforts" of that officer.¹⁶ A discussion of personnel management by the Institute for Training in Municipal Administration concludes that "'staffing' (the selection of personnel) and the over-all control of personnel are essential parts of administrative management," and hence tools of the executive.¹⁷

To say that personnel serves as a tool of management is not to imply that the welfare of the workers is ignored or that the employees are looked upon as mere machines. Progressives in government and industry alike have in recent decades realized that the greatest employee efficiency is attained when personal needs are adequately met.¹⁸ It is only through wise and proper handling of personnel that any unit of government is able to attain the ends for which it is created.

American municipal officials and citizens alike are learning that no device for personnel administration can assure a satisfied civil service or the proper conduct of public business unless the persons filling the positions of leadership are possessed with the spirit of public service. For this reason, the development of professional organizations and the resultant general improvement in their areas of administration have

¹⁶ William E. Mosher, "Personnel: The Executive's Responsibility," *National Municipal Review*, Vol. XXV (May, 1936), pp. 283, 288.

¹⁷ From the correspondence course in "The Technique of Municipal Administration," as quoted in *Public Management*, Vol. XXII (July, 1940), p. 195.

¹⁸ See Ordway Tead and Henry C. Metcalf, *Personnel Management* (New York, Revised Edition, 1933), Chap. I, especially page 2, for a statement of the position of liberal industrialists on the philosophy of personnel management.

brought benefits to municipal employees and citizens. Elevation of the personnel administrator to the role of a professional will have an increasing influence on the standards of municipal civil service administration.¹⁹

Relation of Central Agency to Departments. When the central personnel agency has been established, whatever its form, there arises the question of how to effect its relations with the various departments. Who, for example, shall make note of attendance, tardiness, leaves, and so forth in the police department or the tax office? If service ratings are maintained, the central office and immediate superiors of employees to be graded must act together. Formalization of central departmental relationships in larger units makes possible the reduction to routine of many duties that might otherwise be lost in the rush of a day's business; it may also contribute to an awakening of departmental interest in personnel problems and a general toning-up of civil service administration. Such formal arrangements are required, however, only in the larger cities where departments attain considerable proportions; as a matter of fact, although they are found in some cities, especially in fire and police departments, formal departmental personnel offices have so far been given consideration chiefly in the Federal Government²⁰ and in some of the larger industrial organizations.²¹

When departmental personnel agencies are maintained, the functions they shall carry must be determined. As indicated, cities have given comparatively little attention to the establishment of personnel offices within their departments, with the result that practically all functions are allocated to the central agency. In the Federal Government, functions characterized as "the more intimate and morale-building

¹⁹ For a statement of possible contributions of professional organizations to municipal administration, see Orin F. Nolting, "Serving the City," *The Annals of the American Academy of Political and Social Science*, vol. 189 (January, 1937), pp. 76-83.

²⁰ White, *op. cit.*, p. 291.

²¹ For example, the arrangements described in E. W. Smith, "Executive Responsibility: Staff and Line Relationships," *The Society for the Advancement of Management Journal*, vol. III (January, 1938), pp. 29-33.

aspects"²² of personnel administration are assigned to the departmental offices — for example, service ratings, assignment of tasks and supervision of work, most disciplinary measures, safety and welfare programs, and so on — while the more formal duties of central record keeping, development and maintenance of classification schemes, examinations, and the like are reserved to the central office.²³ Needless to say, where municipal departmental agencies do exist, there is wide variation in the division of duties; there is as yet no real standardization in this regard.

It may be noted that in small cities little need for departmental offices exists. The simplest course is to allocate to the central office most personnel functions, to be discharged, ideally, on a basis of co-operation between the department head and the central personnel administrator. As the city grows, the department head may find it necessary to designate an aide to maintain contact with the central office and act along lines suggested by it. The position occupied by the aide becomes in the larger unit the departmental personnel office, maintaining direct contact with the central office and superior line officer and effecting liaison between them. Whatever the arrangement, it is in the department that many personnel functions are necessarily performed — choosing an employee from the eligible list certified by the central office, determining whether the probationary period shall end in discharge or retention of the employee, checking attendance (although the central office maintains records), and rating the employee as to service and efficiency.

Thus it can be seen that whether or not central departmental relations or functions are formalized, either by law or by rules and regulations, there are constant contacts that can have a very definite effect on administration. This is essentially a problem in co-ordination and will test that aspect of the administrative ability of mayor or manager, personnel officer,

²² White, *loc. cit.*

²³ A. J. Altmeyer, "The Scope of Departmental Personnel Activities," *The Annals of the American Academy of Political and Social Science*, vol. 189 (January, 1937), pp. 188-191.

and department head. It is at this point that conflicts between the line officers and the "experts" are most likely to occur, and the blame does not always rest solely with the line officer. The personnel agency does have control functions, with either general or specific legal basis, and must discharge its responsibilities. At the same time, it is easy for the department head to feel that his authority is infringed upon or that he is being coerced. If the line officers have not been convinced of the need for a formal personnel program before it is undertaken, the responsibility for working out the resultant frictions falls upon the chief executive. But it should be noted that the establishment of the personnel office as an integral part of the structure, rather than an independent "outside" agency, tends to lessen the friction referred to here.

INTERNAL ORGANIZATION

It is perhaps in internal organization that personnel agencies in cities vary most widely. This is true in part because of the great differences in size among municipalities and in part because of the innumerable variations in governmental forms adopted by them.²⁴ In any city not large enough to require a full-time trained personnel director, for instance, the administrative duties may be assigned to any one of several officials — manager, finance officer, purchasing agent, and so on. Or, if a commission is charged with some or all personnel duties, that body may use the mayor's secretary, or perhaps the secretary in the police or fire department, for its routine work.

Obviously the organization of the personnel agency will be determined in the main by the functions assigned to it. In a

²⁴ Most general discussions of municipal personnel agencies have little to say of internal organization, while descriptions of specific city agencies frequently stop short at that point. There is really no body of collected and generally available data on the subject. For a good general treatment, see White, *op. cit.*, pp. 290 ff. *Public Management* and *National Municipal Review* for recent years contain a number of "case studies" which throw some light on organization in a few cities.

Good descriptive material is found in Stone, Price, and Stone, *op. cit.*, Chaps. 5 and 9. This work, it will be recalled, deals only with manager cities. Little has been done in the field as a whole, although there is need for further information.

small city, for example, where a formal merit system is provided only for the police department, the arrangements will be very simple, and a clerk working part time under a civil service commission is likely to be deemed adequate. A city of the same size that undertakes a more ambitious personnel program, however, will require a larger staff and one with more technical training. Much of that technical aid may be obtained through the state agency, where such provisions exist, or through the part-time use of outside experts. Under a civil service commission the work is frequently divided among the members of the group, one having charge of records, perhaps, another of examinations, and the third of retirement, with joint action on appeals. In smaller towns, members of the commission may act only part time, in larger cities, full time, and these conditions affect the distribution of duties.

On the whole, and consistent with good administration, the personnel agency, be it department or commission, is made up of bureaus with functional bases.²⁵ In small cities the bureaus may perform several functions, but as the volume of work becomes greater they tend toward unifunctionalism. While probably no personnel organization has a separate bureau for the performance of each of the functions treated in the following chapters (especially since most systems do not include all of those functions), such titles as Recruitment and Examinations, Classification, Service Ratings and Retirement, and Records are not inappropriate.

Like external organization, the internal arrangements of the personnel agency will be determined by local considerations, previous organization, and perhaps available personnel; thus far no model universal form has been produced.

The traditional form, location, and scope of personnel agencies in American cities are typified by the independent civil service commission. That tradition is now, however,

²⁵ One writer suggests six bureaus or divisions: for examination; classification and compensation; training; conditions of service, service ratings, and promotion; disability and retirement; and employee relations. Harvey Walker, *Public Administration in the United States* (New York, 1937), pp. 155 f.

apparently in a state of modification. New forms are being tried, new functions are being added to the customary routine of duties, and a new body of trained administrators is gradually being developed to meet the demands of personnel programs in our cities.

Functions of the Personnel Agency



AS WE have stated earlier, modern public personnel management has its basis in the recognized need of the governmental agency to utilize all its resources to the fullest extent. The original tenets of "civil service systems," namely entrance examinations and guarantee of tenure, were faltering steps in this direction; but as time has passed not only the theorists and practitioners, but also large numbers of citizens have realized that implicit in the emerging standards of achievement are numerous activities hitherto unsuspected. The rationalization of specific activities, however, is not always immediately apparent to the layman. It is therefore to a discussion of those activities and their justification that attention is given in this chapter.

To the complicated web of personnel functions a number of approaches are possible. While the operations are technical, an understanding of their significance is necessary for even an elementary grasp of personnel administration as a whole. An attempt is therefore made to deal with each of the basic functions of the personnel agency as cogently as possible without dwelling overlong on purely technical aspects. Activities are considered more or less in the order in which they are encountered by a new employee, although such a plan cannot be followed too closely. It should always be kept in mind, of course, that in the personnel office all activities go on simultaneously; they overlap, interweave, and seldom occur in isolation.

SPECIFICATIONS FOR THE SERVICE¹

Knowledge of the tasks involved in each position and the proper compensation for it would seem to be one of the fundamental characteristics of an agency operating a formalized personnel system. The need for such knowledge and the methods for obtaining it are treated here under the headings "Position Classification" and "Compensation Plans."

Position Classification. The classification plan consists in an arrangement of positions into classes on the basis of similar duties and responsibilities.² Its uses are several: it aids in the preparation of examinations and in formulating statements of minimum qualifications for various positions; it facilitates service or efficiency ratings, since fair judgments must take into account abilities of the worker in relationship to the demands of his job; it is also of definite assistance in effecting adjustments and advancements through transfer and promotion; and again, it is helpful in financial procedures, not only in accomplishing the aim of "equal pay for equal work," but also in the preparation and justification of budget estimates.

But supporting definitions are necessary to a full understanding of the classification plan.³ In personnel administration, a "position" means a job, vacant or occupied, a complex of specific duties together with responsibilities both upward and downward; the position is differentiated from the incumbent and is treated impersonally and objectively. A "class" is a group of positions so similar in duties and responsibilities that they may be given common treatment as to examinations,

¹ The term "specifications for the service" is used by Mosher and Kingsley to refer to the classification plan alone. Its extension here to include compensation plans may perhaps be justified by expediency, especially since in the public service as elsewhere the quality of the service is dependent in part on financial inducements. See William E. Mosher and J. Donald Kingsley, *Public Personnel Administration* (New York, Revised Edition, 1941), p. 407.

² Position classification, usually referred to herein simply as "classification," is not to be confused with the term "classified service" used to indicate positions which are covered by merit provisions as opposed to those not so covered ("unclassified service").

³ A helpful discussion of the characteristics of a classification plan is contained in Ismar Baruch, *Facts and Fallacies about Position-Classification* (Chicago, 1937).

compensation rates, or other processes of personnel administration. Position (such as a clerkship) and class (as the stenographic class, extending through all departments) are the units of a classification plan. Larger terms are sometimes used for convenience in grouping classes, for instance a "service" which includes a broad group of classes similar in some aspects such as the professional or the fiscal service, while "grades" are divisions on the basis of difficulty and responsibility. There is, however, no real standardization in the use of these latter terms.

While conceivably a classification plan might be developed before an organization is launched, actually it is worked out on the basis of existing arrangements, sometimes long-established, and the process by which it is prepared is not simple. Since it is quite technical, it will be treated here only in the most general terms. In the first place, a decision must be made as to what agency will assume responsibility for the undertaking. The consensus of opinion supports the central personnel office, although in practice the financial office is sometimes designated.⁴ It must then be determined who will actually do the work. In large cities the central personnel staff may be qualified to take over this function, but often an outside organization of experts is employed to do the technical tasks or perhaps to train the regular staff members for them. The Michigan Personnel Service offers an example of the availability of an agency outside the city.⁵

According to a recent report, the classification plan results from "an inventory, analysis, and evaluation of all positions" and "consists essentially of: (1) *an arrangement of the positions in classes . . .* (2) *written class specifications . . .* and (3) *a list showing the class title*" of each position.⁶ Thus it is first

⁴ See the table in Mosher and Kingsley, *op. cit.*, p. 415, which shows not only the agency made responsible, but also the outside technical aid sought in several cities.

⁵ *Personnel Programs for Smaller Cities* (Public Administration Service, Chicago, 1939), pp. 4 f., 11-17, gives a description of this service.

⁶ *Personnel Administration and Procedure* (Public Administration Service, Chicago, 1938), p. 7; italics in the original. This report describes procedures followed in certain Indiana state services.

necessary to obtain an accurate description of every position in the service. The most common means is the questionnaire which is filled out by each employee, then subjected to review by supervisory officials and to close scrutiny and various checks by the surveying staff.

At this point positions are classified on the basis of similar duties and responsibilities. Difficult decisions on borderline classifications are sometimes necessitated, although most positions fall easily enough into clearly defined groups. The writing of class "specifications" forms the next step. These usually include a descriptive title, a statement of the nature of the work and responsibilities, examples of typical duties, and a statement of minimum qualifications for the position. Sometimes the line of promotion is indicated, and occasionally the applicable salary range.⁷

The next tasks merge into administration of the plan. Existing positions must be assigned to the established classes. Employees may object to the classification of their positions, especially since a man's prestige in the organization and even his salary may be affected by the class in which his job is placed. Other problems arise, and all merit serious consideration; but the staff must proceed as objectively as possible in order that final aims may not be defeated.

The plan must then be presented to the council for adoption, for without adoption it cannot have real and continuing meaning. Once accepted, it must be safeguarded against neglect by provision for its maintenance and for periodic revision.

The progress of American cities in the realm of position classification is not so encouraging as in some other phases of personnel management. Recognition of the fundamental nature of the process is not universal, and city officials making brave efforts in the field of examinations, for example, fail to see that their endeavors might be facilitated considerably by the development of a classification plan. Nevertheless, a num-

⁷ *Personnel Programs for Smaller Cities* contains suggestions for a more refined class specification, pp. 14, 43-44.

ber of adoptions have been made in recent years — in Cincinnati, Dallas, Minneapolis, San Diego, and Seattle, to mention a few.⁸ Classification problems in small cities are much more simple than in the metropolitan areas. Fewer positions are found in these communities, and they tend to fall into relatively few classes. The principles of classification apply, however, to all organizations, and the benefits of such a plan deserve attention wherever the municipal personnel constitutes any considerable number.

Such a comprehensive survey of the municipal service as is necessitated by preparation of a classification plan may reveal many conditions requiring correction. To mention but one possibility, it may be found that lines of responsibility are not clear, and that friction and inefficiency result. Thus a classification plan may bring about incidental, but nonetheless highly beneficial, adjustments in other areas of administration.

Compensation Plans. One such adjustment might be the equalization of compensation of persons doing the same or similar work. The determination of a municipal compensation policy involves many additional problems, including such broad social questions as minimum wages, equitable relations between public and private employment conditions and compensation, and changing costs of living which affect the employee's purchasing power.

Up to the present time, American cities have in many instances ignored most of these questions. The bases on which salaries are established have been haphazard, rule of thumb adjustments by the council, frequently resulting from pressure exerted by employees singly or in organizations, which have been altogether too common. Widely varying wage rates for similar work have been found so frequently as to require no comment here. The municipal civil servant, often typed in the public mind as enjoying a sinecure, may actually be enjoying such a position, but on the other hand he may be forced to

⁸ *The Municipal Year Book*, 1943 (The International City Managers' Association, Chicago, 1943), pp. 202-203, reported that 29.1 per cent of 886 reporting cities having over 10,000 population had position-classification and pay plans.

exist at a level below that of decency and health.⁹ While many minor positions are generously compensated, higher administrative and other offices have been found on the whole to draw relatively less pay in public service than in private employment. Too often capable men are forced to transfer from public to private employment while the municipality flounders on with some overpaid and some underpaid employees, the morale of the whole and the welfare of some suffering from the lack of a definite policy. Until recently, few cities made an honest attempt to develop a wage policy. One of the most notable exceptions has been St. Paul, where since 1922 a scheme has been used to adjust salaries of most city employees to changing costs of living.¹⁰

During World War II and the postwar period, the number of cities which have made significant changes in their salary schedules has increased tremendously, and, on the whole, municipalities are becoming more salary conscious than in previous years. Economic dislocations have caused the cost of living to rise considerably; consequently cities have been forced to make salary increases or face the threat of losing competent personnel to private business and industry.¹¹

Where salary standardization is undertaken, a primary decision is necessitated as to what agency shall devise and administer the plan. Frequently the fiscal department is designated because of the budgetary aspects of salary administration, but some students recommend the personnel agency, since it already possesses most of the necessary records and maintains

⁹ For examples of current salaries paid to municipal personnel, see the following: *Salary Trends in Washington Cities* (Bureau of Governmental Research, University of Washington, Seattle, 1939); *Salary Rates of Officials and Employees in 128 Oregon Cities* (Bureau of Municipal Research and Service, University of Oregon, Eugene, 1946); *Salaries and Wages of Officials and Employees of Texas Cities and Towns* (League of Texas Municipalities, Austin, 1946); and *Salary Rates for Municipal Positions in the State of Washington* (Bureau of Public Administration, University of Washington, Seattle, July, 1946).

¹⁰ A description of this system is to be found in J. B. Probst, "The St. Paul Plan of Adjusting Salaries to Cost of Living," *Public Management*, Vol. XV (June, 1933), pp. 163-166.

¹¹ For comparative trends in the cost of living and municipal salaries for the period 1940-1945, see *The Municipal Year Book*, 1946, p. 124.

contacts with employees.¹² In any case, co-operation between fiscal and personnel offices must be close, since obviously both are concerned.

Some comparison is desirable between conditions within and outside the service involving leaves, pay, nature of work, and the like, and likewise among similar and dissimilar positions within the service. In the municipal field, comparisons frequently are made to employment and pay in other cities of similar size. Keeping in mind the socially desirable objective of government as a model employer, as well as the financial ability of the city, rates are then set for the classes in the classification plan. Usually each class is assigned a minimum and a maximum rate, with several intermediate rates. These serve the purpose of providing incentives and rewarding meritorious work without imposing more difficult or more responsible duties. Pay rates for the various levels usually merge one into another, but ideally do not overlap since conceivably an employee might then be promoted without receiving increased remuneration. It is often recommended that new employees or promotees be limited by rule to the minimum rate, but on the other hand there seems to be justification for providing that exceptionally able workers be permitted to receive higher rates even at the beginning of their service. Stipulations vary, too, as to the bases on which increased pay without promotion — i.e., advancement — shall be allowed. In some cases the increment is automatically bestowed after a specified time; in other cities a superior officer must indicate that the employee is worthy before advancement is authorized.

Once the salary plan is drawn up, preferably with co-operation of personnel and fiscal offices, it must be approved by the council. That body should then abide by the plan in making appropriations, or all the effort will have been useless. Logically, the administering agency is allowed to formulate rules for application of the plan to individual cases, provision being made for employee appeals. The agency might also be charged

¹² The argument for using the personnel agency is presented in Mosher and Kingsley, *op. cit.*, p. 460.

with responsibility for research and for recommending changes in the schedules at appropriate periods.

Since, as was stated earlier, American cities have done little more than scratch the surface of the problem of compensation policies, and since many of them have not as yet inaugurated classification plans, the procedure outlined here may appear largely ideal. The questions involved are not easy to solve, and conceivably the answers will vary for each city. In the field of compensation policy, municipalities face a challenge that cannot forever be ignored.

THE EMPLOYMENT PROCESS

While compensation policy and position classification are perhaps aspects of personnel administration with which few citizens are acquainted, actual employment processes are more widely known. It is generally accepted that where a merit system exists there are likely to be found notices of examinations, administration of tests, certification by the examining authority of high-ranking names, appointment, and frequently a period of trial or probation for new employees. Not all the problems inherent in these processes, however, are realized by the citizen, and they deserve attention here.

The activities on the part of the civil service agency to attract applicants are known in personnel administration as recruitment.¹³ Examination follows and includes all types of investigation to determine the abilities of the candidate. Certification includes, of course, the submission of a name or names by the personnel agency to the appointing authority with the assurance that they have met all requirements. Probation is a trial working period.

Recruitment. It is in these employment processes that the traditional work of the civil service commission is found; but

¹³ This meaning is accepted here even though some modern writers apparently include examining also under the term "recruitment." See, for example, John M. Pfiffner, *Municipal Administration* (New York, 1940), pp. 134-136; but see Mosher and Kingsley, *op. cit.*, Chap. VII, and Leonard D. White, *Introduction to the Study of Public Administration* (New York, Revised Edition, 1939), p. 313, for uses corresponding to that adopted here.

in the recruitment aspect at least are also found some of the most challenging demands for improvement. The unattractive stereotypes of city hall employees that have dominated the public mind are not altogether without foundation in fact, since traditionally the civil service commissioners have been preoccupied more with reform and negative activities than with recruiting the best workers available for municipal service. Even after the establishment of merit forms, municipal personnel has consisted in many cases of inferior men and women who have turned to public employment after failure in other endeavors.

Various explanations may be offered for the failure of municipalities to attract candidates of the highest rank. Having labored long under the stigma of spoils, the public service has had low prestige values.¹⁴ Wage policies have been slow in developing and salaries for the most part have been low. Higher positions are still generally exempted from merit provisions, and until recently ambitious youths have seen small opportunity for advancement on the basis of ability in municipal employment. But civil service commissions also are hemmed in by minute provisions on every hand — severe local residence requirements, demands for practical experience as opposed to general intelligence and education tests, veterans' preference, limited funds, and so on.¹⁵

It would appear, however, that civil service administrators have done little to combat official and public attitudes. Recruitment activities are limited for the most part to routine compliance with legal requirements; notices of proposed examinations are posted in courthouse halls and on city hall bulletin boards, or published in daily or weekly newspapers, often with limited circulation. However publicized, notices are

¹⁴ Two pioneer studies of the prestige value of public employment have been made by Leonard D. White: *The Prestige Value of Public Employment in Chicago* (Chicago, 1929), and *Further Contributions to the Prestige Value of Public Employment* (Chicago, 1932).

¹⁵ A general discussion of problems and methods of recruiting may be found in William Brownrigg and Louis J. Kroeger, *Toward Effective Recruiting* (Chicago, 1937).

as a rule expressed in dry, official terms, and little information is given on such vital points as nature of the duties involved, salary ranges, and possibilities for advancement.

But despite the prevalence of these conditions, recent years have witnessed the development of new techniques in recruitment as in other personnel processes, and cities have been among the leaders. The increasingly technical nature of many municipal functions has contributed to the emergence of a career service in such fields as engineering, health, city management, and police and fire administration. Attractive posters, news stories as well as legal notices in the newspapers, and even radio announcements and programs are becoming familiar as methods of attracting able candidates. Municipal recruitment agencies are developing and maintaining contacts with all types of schools in order to learn of promising graduates; some have established mailing lists of interested and influential leaders and potential candidates who are regularly circularized with announcements. Nevertheless, many cities cling to the traditional ideas and have far to go before their recruitment programs can be said to be enlightened and adequate.

A question that invariably arises in any consideration of recruitment programs concerns the correlation of the public service to the educational system. The British civil service system is cited as exemplary in this regard, and indeed it has many excellent characteristics.¹⁶ In that country various levels of the civil service are closely co-ordinated with the school systems, so that the government has access to and attraction for the best products of each class of school. A similar system in this country might mean that routine clerical as well as skilled and unskilled workers would enter public employment after graduation from high school, administrators and some specialized employees after college work, and professional persons after completion of their special preparations. While

¹⁶ Descriptions of the English system may be found in Harvey Walker, *Training Public Employees in Great Britain* (New York, 1935); and Leonard D. White, et al., *Civil Service Abroad* (New York, 1935).

such a policy is by no means widely adopted, cities have not proved insensible to its advantages.

Examination and Certification. The use of examinations, generally competitive, is one of the most familiar characteristics of the American personnel systems. This country has made outstanding contributions to personnel management in the constant refinement of examination techniques, in which all levels of government as well as professional psychologists and private industry have participated. Early civil service tests covered chiefly the fields of general knowledge, but the demand was soon made for examinations related more directly to the duties of the position to be filled. Hence the rise of the "practical" examinations which, while by no means valueless, have been found to place a premium on narrow training and experience in a specific type of work rather than on general ability and potentialities for growth. Present-day thought tends to recognize the value of experience and skill for many positions, and also to see a definite need for potentially capable young people who may have to be trained in special skills after entering the service. These views on the type of persons desired in the service affect directly the construction of the examinations for entrance. And whereas the initial aim of examinations was to eliminate the political factor in appointments, one present goal is to eliminate subjective judgments and supplant them with impersonal, objective statements of the absolute and relative abilities of candidates.

Numerous types of tests have been developed in this country to meet the needs of industrial personnel management, educational establishments, and governmental agencies. Tests may be grouped for discussion on various bases.¹⁷ They may, for example, be designed to measure different things. In recent years experiments have been conducted to develop adequate tests to aptitudes, such as tests for social, mechanical, or general intelligence. The latter is perhaps most familiar to the

¹⁷ The general outline of test classifications followed here is that set out by Mosher and Kingsley, *op. cit.*, Chaps. IX, X, and XI, which is perhaps the best survey discussion of the subject of examinations from the point of view of public personnel administration.

average person, and has been much discussed since the first World War. Attaining great popularity for a time, it was frequently misused and fell under a shadow. At present, however, it is widely used, especially to supplement other tests and sometimes to eliminate the clearly unfit where large numbers of applicants must be dealt with. Social and mechanical intelligence tests have interesting possibilities, but are not yet standardized.

Examinations may attempt to measure achievement as well as aptitude — that is, what the individual actually has mastered. Evaluation of experience is a type of achievement test, as are the usual classroom examinations, whereas the physical test measures strength or height and weight.

In similar fashion, tests may be differentiated on the basis of form. The oral test, for example, has had its period of popularity and disfavor. Actually, most modern "oral tests" are simply personal interviews and are not without validity, particularly where the position to be filled requires frequent and important contacts with the public.¹⁸ Both the oral test and the oral interview make large demands in terms of time, money, and high-class personnel, and hence they are used sparingly in many jurisdictions.

The written test is frequently easier to administer, and if short-answer written examinations are used (such as true-false, multiple-choice, or completion tests), the problem of grading is greatly simplified. The construction of these short-answer tests, valued for their greater objectivity as well as for simplified grading, requires much time and demands specialized training and skills. The traditional free-answer or essay type of test is easier to construct (though an adequate one is not so simple as the novice might imagine), but presents serious grading difficulties; not only does the scoring require much time, but it is open to charges of subjectivity. Sometimes separate grading by two persons, with a reconciliation

¹⁸ Two recent publications on oral interviews illustrate different but not altogether opposite points of view. See W. V. Bingham, *Oral Examinations in Civil Service Recruitment* (Chicago, 1939); and Samuel H. Ordway, Jr. and James C. O'Brien, *An Approach to More Objective Oral Tests* (Washington, 1939).

of the two scores, is used partially to overcome the latter disadvantage. In addition, the free-answer test handicaps the person who, although intelligent and skilled, is unaccustomed to composition. Hence it is discarded as unsuited to many situations, as, for example, the examination of prospective firemen.

Performance tests call for a demonstration of ability, as when a bricklayer does a sample job. For numerous positions this type of examination is useful; it must be noted, however, that success in the performance test alone indicates only that the applicant can do one specific job and does not guarantee that he can improve and advance.

Examinations may be classified further on the basis of administration. Most tests, for example, are given simultaneously to a group of persons in one place and are known as assembled examinations. Nonassembled examinations consist usually of ratings of training and experience, submitted work such as publications or a written discussion, and personal interview. They may be used in case of absentee applicants, and are employed chiefly for high-grade positions or sometimes for those for which the supply of candidates is limited. Tests may be competitive or noncompetitive, and the latter type is used more than might be realized, even where a formal merit system exists. In accordance with the basic merit principles, however, tests should be competitive whenever possible, but in a few exceptional cases competition may be waived.

For most positions the examination is actually a series of tests. These may include two or more of the following: evaluation of education and experience, oral or written test or both, character investigation, and physical tests. Appeals are sometimes allowed, especially when the subjective oral interview plays an important part in the final score, but such arrangements in American cities are as yet infrequently formalized.

Test construction and evaluation are highly technical tasks. They involve careful work based on an understanding of psychology on the one hand and statistical methods on the other. Tests must be shown to be valid — that is, to measure

what they are intended to measure and to be calculated to give substantially the same results on repeated use with the same persons or groups — and standardized or made up of a normal proportion of difficult, easy, and moderately difficult items. These comments only hint at the delicate tasks involved in the construction and administration of tests.

When the examination process is complete, the personnel agency makes up eligible lists. From these, names are “certified” to department heads or agencies desirous of filling positions. The eligible lists may serve for as long as two or three years, successive certifications including the highest available persons; or new lists may be constructed at stated periods. The general rule has long been that the three highest names be certified, the appointing officer being allowed free choice among them. Although this practice has been under fire from some sources, there is probably little reason to deny the appointing officer this choice. But the rule of three does not always prevail; in some cities only the top name may be certified, while in others the departmental officer may appoint anyone on the eligible list. Nor does the eligible list of original candidates always provide the basis for appointment. A re-employment list may take precedence, or a promotional list (made up of employees in lower positions who have passed appropriate examinations) may be given first consideration. These are desirable practices, but they necessitate careful thought in the determination of priority of lists and are predicated on a well-balanced personnel program.

In the certification process there are opportunities to violate the spirit of the merit system, as when a political-minded central agency declares an existing list out-of-date or inapplicable, and conducts new examinations in order to get a favored candidate on the list. As the philosophy of the merit system becomes more widely accepted, however, and as personnel agencies are more carefully organized, these abuses will doubtless decrease.

Probation. When the appointment is finally made, it is often for a stated trial period during which the employee may

be dismissed at any time. The purpose of this trial period, known as probation or working test, is to provide an opportunity to observe the employee under the actual conditions of the job. In this sense it is a check on the examination process. Probation terms vary from three or six months to a year and sometimes longer.

Unfortunately, few departmental officials take advantage of the trial period; most of them seem to accept the employee as permanent when the initial appointment is made. Personnel officers might well encourage a more discriminating use of the working test, since conceivably it could have beneficial effects on regular test programs as well as directly on the quality of personnel in the service. To this end some organizations require frequent reports on probationary employees and a final report of acceptance or rejection as the trial period draws to an end. At present this phase of employment is not highly significant in practice, despite its potentialities.

TRAINING

While the opportunities offered by the probationary period have not for the most part been grasped by municipal administrators, these same officials have been less unaware of the advantages to be gained by training municipal servants. It is true that training programs are by no means found in all cities, but constant discussion and numerous experiments are keeping the subject before officials and there is ample evidence that concern regarding it is spreading steadily. The subject of training falls easily into two primary divisions known in personnel administration by the descriptive terms of pre-entry, or pre-service, and post-entry or in-service training.

Pre-Service Training. Pre-service training obviously concerns education before entrance into public service. There is much discussion of the possible contribution of the educational system in preparation for public service careers, but it may safely be said by way of generalization that at the municipal level little can be expected of regularly established schools at present beyond a thorough grounding in accepted fundamen-

tal and cultural subjects.¹⁹ Such a generalization of course excepts the specialized and professional schools of law, medicine, social work, engineering, and public administration, whose graduates in increasing numbers are finding employment in governmental agencies; nor does it apply to such special undergraduate and graduate work in bacteriology and similar fields as is used in modern municipal administration. Training for a number of the lower positions, particularly stenographic and routine accounting, is now available through the business departments of both universities and high schools; but aside from these and some manual training, the skills required for many city jobs must be developed under the supervision of the department after employment.

It may be noted that in recent years colleges and universities have taken increasing interest in preparing graduates for public employment. While most of their efforts tend to be oriented toward the Federal service, cities have also received attention. The programs evolved are aimed chiefly at developing administrative and staff personnel, and include courses in economics, statistics, political science, administration, psychology, and sociology, frequently with observation of governmental offices and sometimes with work in them. Among the leaders in such programs have been the Universities of California, Chicago, Minnesota, Southern California, and Syracuse. For a time several colleges carried programs designed especially for training city managers, but present trends are toward more general preparation for public service. With schools developing programs that orient students toward the public service, it becomes the responsibility of the city to attract the best products of these schools.

¹⁹ In this connection see Carl F. Taeusch, "A Symposium on Administration," *Public Administration Review*, Vol. I (Winter, 1941), pp. 211-213 (a review of Fritz Morstein Marx, ed., *Public Management in the New Democracy*, 1940), and the sources he cites. A somewhat more optimistic note is struck in the report on a penetrating and stimulating symposium on possibilities for college education for public employment at all levels of government: *University Training for the Public Service* (Civil Service Assembly of the United States and Canada, Chicago, 1938). The supplement to this pamphlet contains a helpful diagrammatic representation of the problems involved in the various types of training in and for public service.

In-Service Training. Until the municipality correlates its recruitment program with the schools, it may have to labor under unnecessarily heavy training demands, for to make of poorly qualified candidates good municipal servants no little effort is required. Even the city with first-class recruits faces the necessity of initiating them into new duties and encouraging increased efficiency of permanent employees. In-service training, then, comprehends initial induction and also subsequent instruction. In both aspects some cities have been active.

Initial training varies all the way from a brief description of the specific duties required of the new employee to a regular course covering from two days to several months in the organization of the city and the department and in the special knowledge needed by the recruit. The latter practice is found most frequently in fire and police departments of large cities — New York provides an example — where considerable groups of new members are taken in at one time. The more informal practices prevail in other situations, although, strangely enough, in many cities even the most cursory enlightenment for new recruits is lacking.

Apprenticeship is one form of training for new recruits. The probationary employee, under careful supervision, is assigned duties or observation, and may later be subjected to tests of the extent to which he has profited. He may be allowed to work in several departments in turn, which gives him a general view of the entire organization and enables him to find where he works most satisfactorily. In any case, an apprenticeship represents a formalized method of induction training.²⁰ It is unfortunately not so widely used as would prove profitable.

Training for increased efficiency, which may also be training for promotion, is more highly developed in cities. Sometimes the work is done by the city alone, but in a great many

²⁰ The term "internship" is often used interchangeably with "apprenticeship," although properly it refers to positions provided on a purely temporary basis for study and observation.

instances it is the result of various co-operative patterns. State leagues of cities have been active in sponsoring central or regional schools for police, firemen, finance officers, and sometimes other employees; the comprehensive program in New York sponsored by the State Conference of Mayors and Other Municipal Officials is an excellent example of such a program. Frequently the league is assisted by A. and M. colleges, or by municipal or state universities, as in Michigan, Texas, and California. Under the George-Deen Act the leagues have worked with state vocational education departments, and in other cases they have co-operated with such national professional organizations as the Municipal Finance Officers' Association, the National Association of Assessing Officers, and The International City Managers' Association.²¹ In other instances the municipality may co-operate with a county, or with a county and university, as in Detroit. The International City Managers' Association has established an Institute for Municipal Training which offers a series of correspondence courses in such subjects as administration of municipal finance, planning, personnel, fire, police, welfare, and other activities.

Such undertakings as have been described deal most commonly with training in the ranks of police and firemen, but some extend to social workers, engineers, administrative and financial officials, and others. Whatever the form and auspices, these schools and classes usually are concerned with practical subject matter related directly to the occupation; but where regional schools include representatives of local units, material on teaching methods may also be included so that trainees may in turn conduct classes in their own departments.

INCENTIVES AND DETERRANTS

Once the employee has become a part of the organization, the questions of efficiency and morale are continuing ones. It is clearly recognized that while financial remuneration is

²¹ For a more detailed description of training programs, see Elton D. Woolpert, "Training of Local Government Employees," *The Municipal Year Book*, 1941, pp. 116-122. Note also James M. Mitchell, "Personnel Developments in 1945," *The Municipal Year Book*, 1946, p. 105.

one motive to efficient work, other forces, too, have similar effect. The city is faced with the necessity of discovering and utilizing these forces, some of which are positive and some negative. Positive forces include, briefly, recognition of worth by pay and by added responsibility and prestige, the assurance of tenure during good service and economic provision at the retirement age, and general concern with the welfare of the employee; negative forces comprise punishment and sanctions of various kinds. In other words, the city offers promotion, advancement,²² tenure, and pensions as incentives, and various forms of discipline, with discharge the extreme, as deterrants to unsatisfactory conduct. These, together with service ratings, will be dealt with in this section, but provisions for general welfare are reserved for a separate division.

Promotion. While several of the items discussed in this chapter as necessary components of a first-class personnel system — classification and training, for example — may be ignored by a municipality without immediately catastrophic results, practically every city periodically faces the problem of promotion within its ranks. Not even by the most advanced agencies have all its difficulties been solved. In the first place, promotional possibilities in relation to the total number of workers are few. This is true in part because of the hierarchical nature of organization and in part because of such traditional provisions as limitation of the merit system to lower positions²³ and prohibition of promotion across departmental lines.

The problem is further complicated by opposing opinions on whether promotions should be made entirely from within the service or from without. If selection and training programs are adequate, internal promotion should answer in most situations, although the exceptional case should be provided for.

²² The general subject of financial rewards, including advancement, was treated briefly in the section on compensation plans and will not be reviewed here.

²³ Friedrich measures the value and success of the merit system partially in terms of the importance as well as the number of positions covered. Carl Joachim Friedrich, "The Rise and Decline of the Spoils Tradition," *The Annals of the American Academy of Political and Social Science*, Vol. 189 (January, 1937), pp. 6 ff.

Another plaguing question is that of situs of the authority to promote. In distrust of department heads, so often of political inclinations, some councils have legally vested this authority in the civil service commission. In larger departments, however, there is reason for dissatisfaction with such long-distance control. Ideally, of course, co-operation of the two offices is the solution; this can be accomplished without great difficulty where the personnel office is an integral part of the municipal organization. Thus the central office might administer promotional tests and make all its records available to the department head, who would be allowed the final decision.

Several bases for promotion present themselves, and all have been relied upon in the various jurisdictions. In some cities a strict and simple rule of seniority applies. Its disadvantages are obvious: long service at a specified job does not guarantee ability to handle a more difficult one, and such a system may stifle the ambition of the more capable younger workers. Examinations are frequently relied on, although usually in combination with other factors. Tests can well be used to determine knowledge and some aptitudes, but are necessarily supplemented by personal judgment of personality traits. They are, however, of considerable aid.

A few years ago the service rating achieved great popularity and in some organizations was made the chief basis not only for promotion, but for the order of lay-offs and reinstatement, advancement and other adjustments. While the service rating has contributions, it is at present not dependable as the sole basis for such important moves; at best it can serve as a rough guide in reaching decisions.²⁴

In the small city the only criterion for promotion usually is the personal judgment of superior officers, and in the end it usually prevails in the more highly organized municipality as well. At the present stage this is unavoidable, although the contributory value of the other factors should not be ignored. The ideal system probably would take into consideration

²⁴ Service ratings, sometimes called "efficiency ratings," are treated more fully in the following pages.

service record, aptitudes and knowledge as shown by tests, and personal fitness as judged by qualified superiors; seniority would carry weight only when other factors were equal.

Whatever the criteria and administrative form used, when employees reach large numbers the long-time good of the service makes imperative a promotion plan aimed to give greatest development to inherent and acquired capabilities of the municipal personnel.

Transfer refers to shifting an individual from one position to another of the same class and grade. Unknown in most jurisdictions, it has helpful possibilities in adjusting personality difficulties or other employee dissatisfactions that are sometimes inescapable, but have harmful effects on efficiency.

Service Ratings. The service or efficiency rating was referred to above as a useful tool in personnel administration. It is strictly a tool to aid in such functions as the movement of personnel (promotion, transfer, advancement, etc.), encouraging the employee to discover and correct his faults, and safeguarding the civil servant from purely arbitrary action by his supervisors. As long as a quarter of a century ago, efficiency ratings were an object of attention, and various types were adopted wholeheartedly in public jurisdictions. Administrators in their zeal did not, however, always use the best judgment in applying the ratings; and because too much was claimed for them, the efficiency ratings fell into disfavor with employees whose salaries, discipline, and sometimes separations were made dependent on efficiency scores. In recent years the various types of ratings have been employed with greater caution and some confidence has been regained, although students still indicate some dissatisfaction.²⁵

White groups service ratings into three fundamental types.²⁶

²⁵ William C. Beyer, writing in 1935 of civil service in American cities, concluded that no rating system "so far has withstood the test of time; all except the most recent experiments, which have not been in operation long enough to be judged, have proved disappointments." "Municipal Civil Service in the United States," *Problems of the American Public Service* (Commission of Inquiry on Public Service Personnel, New York, 1935), p. 126.

²⁶ *Introduction to the Study of Public Administration*, p. 375. Mosher and Kingsley, *op. cit.*, pp. 487-490, note also the "man-to-man" comparisons used in Army

The production record is frequently used in industry, but is not so easily applied to public service except where work is strictly routine, as in stenographic and clerical positions and in the operation of machines. The graphic scale presents a number of traits to be judged, with several (usually five) degrees of competence indicated. The rater checks the appropriate degree. Chief advantages of this form lie in making a breakdown of traits rather than attempting a judgment of the total man, although such a summary judgment is also included in some forms, and in the definite, precise statement of traits and degrees of excellence. These help the rater to give a more complete and more objective judgment.

The personality inventory attempts a further breakdown of traits into concise statements to be checked by the rater. The Probst system is perhaps the outstanding representative of this type, although improvements upon it have been attempted and are being subjected to experiment.²⁷ The Probst rating has been used in a number of cities, apparently with satisfaction in Cincinnati, for example, but with only partial satisfaction in New York.

The problems inherent in service ratings are somewhat similar to those encountered in the construction of examinations. As in that field, there is much to be done before the extravagant claims sometimes made can be justified. Present progressive systems have, however, encouraging characteristics. They labor to obtain maximum objectivity, although as yet they remain largely subjective. But the training of raters and the avoidance of vague, general terms, such as "leadership," in most scales are forward steps. Simplicity is also an aim, so that both rater and ratee may understand the basis of judgment. Usually, too, the scores and schedules are available to employees desirous of discovering their weaknesses and making improvement. These are heartening signs. A desire

ratings and the use of periodic tests instead of production records. J. B. Probst, *Service Ratings* (Chicago, 1931), pp. 11-14, contains a much more detailed classification.

²⁷ See Probst, *op. cit.*, for a summary of experience with various rating schemes and a description of his system.

on the part of the supervisory personnel to establish and maintain a system of periodic reports is more important than the kind of system which is set up.

Discipline. In every organization there arises some need for discipline of officers and employees. In the small unit, disciplinary authority may be largely centered in one person and exercised in more or less informal fashion. As the organization gains in numbers, the necessity arises for rules and penalties with which all are acquainted. Causes for formal disciplinary action include inefficiency, insubordination, infringement of rules, immorality and drunkenness, and others.

Even where there are formalized rules, many disciplinary actions are largely informal. Perhaps the simplest recognized form of discipline is the warning or reprimand by the superior officer. It offers the opportunity to point out errors and receive assurance of mended conduct. More severe discipline may take the form of low service rating marks, perhaps resulting in the delay of advancement or promotion. The most formal and serious penalties include suspension without pay, demotion, and removal. These may mean for the employee both economic and prestige loss, and should be used with care. Nevertheless, where city officials are timid about exercising their authority, the morale and standards of the entire service are likely to suffer.

In this country tradition has generally given to the departmental officer (i.e., the appointing authority) the right to effect discipline, usually more or less at his discretion. This is especially true in cities having no formal merit provisions. In the interest of uniformity throughout the service, and of employee protection, many cities have given their civil service commissioners the power to hear appeals from employees subjected to the more severe actions. Sometimes such provisions allow the commission to reverse the department head's decision and order reinstatement.

It is now generally realized that such extreme action reacts unfavorably on the control of the official over his subordinates, and present tendencies point toward more moderate policies,

as suggested in the *Model City Charter*.²⁸ Under its provisions, the department head would be allowed freedom in minor forms of discipline, but it requires that his actions conform to rules promulgated by the central personnel office for the entire service. In extreme forms of discipline the employee is allowed to appeal to the personnel board, and a report with recommendations may be made by the appeals board to the city manager, who then is empowered to act as he sees fit. The publicity of such proceedings, together with the advice of the central agency, tends to curb arbitrary action and promote standard treatment.

Retirement. From the point of view of the employee, one incentive in the public service is the pension sometimes available upon retirement; to the city, the properly administered pension program is a safeguard to the service. It may be noted that these two views are but two aspects of the same thing. Anticipation of reasonable comfort for himself and his dependents makes a better civil servant. On the other hand, a retirement system frees the service of the aged and infirm who for economic reasons would otherwise try to continue to hold their positions long after they had become disabled.²⁹ The movement for civil service retirement and pension programs has closely paralleled the growth of the merit system at all levels. Many cities have established some kind of retirement system, especially for members of the fire and police departments.³⁰

Pension funds may be of the cash disbursement type, in which case contributions are usually placed in the general fund and regular appropriations are made from it as needed to meet

²⁸ *A Model City Charter* (National Municipal League, New York, Fifth Edition, 1941), Art. VII.

²⁹ For a more complete discussion of objectives of a retirement system, see Lewis Meriam, *Principles Governing the Retirement of Public Employees* (Baltimore, 1918). A current and comprehensive analysis of the retirement problem is found in *Retirement Plans for Public Employees* (Municipal Finance Officers' Association, Chicago, 1946).

³⁰ In January, 1946, 904 or 85.4 per cent of all cities of over 10,000 population reported retirement systems covering part or all of their personnel. Two hundred and eighty-six of this number participate in a state-administered retirement system. *The Municipal Year Book*, 1946, p. 130.

pension demands. While this plan is the easiest in the beginning and is subject to understanding and direct control by the electorate, it leads eventually to severe drains on municipal finances and frequently results in inability of the city to fulfill its pension commitments. The actuarial reserve fund, on the other hand, is based on strict actuarial computations of probable needs; accumulated gradually by regular contributions, it is invested and earns interest, and hence is actually less costly than the cash fund. Although more expensive at the outset and more complicated in operation, the actuarial system is preferable to the cash disbursement type. Actuarial systems are used by approximately one-half of the cities reporting pension systems.³¹

Contributions may be made by employee or city alone, or by both. Usually the joint contributory plan is considered most satisfactory, although it is not universal. A retirement fund is frequently administered by a board, sometimes with employee representation. While a board is desirable for formulation of policy, a single director is needed for actual administration; in smaller cities the administrator may be a regular city officer, especially since the administrative costs are ordinarily borne by the municipality. In any case, the work of the central personnel office might logically be to maintain pertinent records and, working with departmental officers, to recommend employees for benefit at the appropriate time.

The age at which retirement is to take place (commonly between sixty and seventy years), the amount of the pension, whether the system shall be compulsory or optional, and other benefits — such as death, disability, and so on — that may be a part of the system are all matters on which practice varies. It is the usual provision that withdrawal or death will return to the employee or his dependents all the money he has actually contributed, with interest, minus small administrative costs. The establishment and maintenance of a proper system are technical matters, but not beyond the reach of most municipalities. The very small city, it is true, is scarcely

³¹ *The Municipal Year Book*, 1945, pp. 149-150.

in a position to maintain a retirement system alone; it may, however, co-operate with other cities or with the county or state in case they have established such systems. Ordinary group insurance also offers possibilities.

GENERAL WELFARE

In addition to the conditions of employment that have been under discussion in this chapter, other factors bear on the well-being of the employee and on the quality of the municipal service. Some of these are dealt with here under the summary heading of "general welfare."

Working Conditions. American governments at all levels make poor showing as "model employers" on the basis of physical working conditions. City halls are notoriously crowded and are sometimes dark and ill-kept. Some are actually not kept clean, and in many buildings perfect sanitary arrangements are lacking. Furthermore, proper illumination is all too often unknown in municipal offices, and ventilation is haphazard and inadequate. The average citizen no doubt looks upon spacious, air-cooled offices for public servants as extravagances. While such a view is understandable, it is extremely shortsighted, for loss in terms of decreased efficiency, absence, sickness, and lowered morale is inescapable when improper physical working conditions prevail.

In other aspects of working conditions, the public service is not always so unfortunate. Many jurisdictions allow annual vacations, either under a formal system or by informal arrangement, and sick leaves are usually provided in similar fashion. There is, however, no standardization in these matters, either within many of the units or among municipalities as a group. Most cities are doubtless more lenient than private organizations of similar size so far as absence and tardiness are concerned, but extra compensation for overtime is probably not so frequently granted, especially in the higher clerical brackets.

Municipal personnel officers are seldom charged with responsibility for any of these working conditions. Some agency is needed to standardize procedures, to establish rules,

and to keep records, and the central personnel office might well serve in such capacities. Standards for building conditions might be set up and periodic inspections made, while a uniform code for attendance, tardiness, leaves, and vacations would probably heighten morale. Attention to the problem will reveal numerous methods of correcting and avoiding faults in this regard.

Employee Organization. One means by which the municipality can contribute to the general welfare of its civil servants is through co-operation in the constructive activities of employee organizations. Such organizations vary from the regular craft unions to the professional societies including higher officials, and may have benevolent, purely social, or more general objectives.

Professional organizations have made distinct contributions to the improvement of municipal administration generally, and many city councils so far recognize their benefits as to make specific budgetary provision for official participation in them.³² The purely benevolent and social groups among workers in the lower classes are not without their significance to the city, although their primary aims are not for improved administration. Credit unions have been found helpful in reducing worry and consequent inefficiency among workers, and an increased range of such co-operative activities might be encouraged by the city.

Other employee organizations have as a definite aim the improvement of their members individually, promotion of merit standards, and increased efficiency of the service as a whole. Some of the groups are affiliated with national labor unions or with other national societies, while some are merely city-wide or perhaps state-wide in scope.³³ Even though municipal employees affiliate with national labor groups, it is gen-

³² Such societies include those known as the "Chicago group" and many others composed of public or both public and private officials. See *A Directory of Organizations in the Field of Public Administration* (Public Administration Clearing House, Chicago, 1938), and *The Municipal Year Book*, 1946, *passim*.

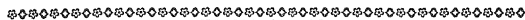
³³ For a more detailed description of employee organizations, see *The Municipal Year Book*, 1946, pp. 131-134.

erally accepted, and sometimes expressly provided by ordinance, that they may not use the strike as a method of obtaining their objectives.³⁴ The personnel officer, though seldom charged with that responsibility, can make good use of organized employee groups for the benefit of both civil servants and the city as a whole.

Morale. A high morale in the service is one of the most imperative factors for efficiency; it can overcome many other unsatisfactory conditions or can, on the other hand, negate the most perfect ones. This being true, the personnel agency is under a definite responsibility, implied if not expressed, to do all in its power to develop and maintain morale. The means toward that end include not only the numerous activities indicated in this chapter, but other perhaps as yet unrealized functions. Of these, employee participation in management, much further developed in the English civil service and in American private industry than in our public agencies, is perhaps one; further co-operation with employee organizations is another; and improvement of physical working conditions is a third, as yet largely ignored by public jurisdictions in this country. The general attitude of the administration, embracing considerations of leadership, and the high or low esteem in which municipal service is held by the public are other factors. On the central personnel office devolves the task of surveying these factors and utilizing them toward the development of *esprit de corps* and the improvement of the service.

³⁴ The only strike of serious proportions by municipal employees was the abortive attempt by the Boston police in 1919. Public reaction was so unfavorable and so vehement that nothing of the same scope has been tried since, although a few short-time strikes by city employees have occurred. Notable among these were recent strikes in Detroit, Houston, Syracuse, Lexington, Kentucky, and Scranton, Pennsylvania. See "What American Cities Are Doing," *Public Management*, Vol. XXVIII, No. 4 (April, 1946), p. 120. The most complete and up-to-date study of law covering municipal employee organization, the right to strike, picketing, collective bargaining, etc., is found in Charles S. Rhyne, *Labor Unions and Municipal Employee Law* (National Institute of Municipal Law Officers, Washington, D.C., 1946).

Fiscal Organization and Budgetary Control



ONE OF the indispensable processes in the operation of any government is that of raising and spending money. A few decades ago this function was a relatively simple matter. Sources of revenue for governmental purposes were limited, and services performed by these governments were few in number. Today, however, the picture is different, especially in regard to municipal governments. Cities have grown rapidly and their activities have become extensively diversified. Most large industries are located in or near cities. People are constantly moving to these centers to supply the industrial labor demand. Conditions resulting from this situation compel cities not only to extend functions already performed, but to undertake numerous new ones.

For these reasons financing city government is no longer a simple matter. Many problems arise relating to fiscal organization, assessment, revenues, expenditures, collections, budgeting, purchasing, borrowing and indebtedness, accounting, auditing, and reporting. These matters we shall consider in this chapter and the ones directly to follow.

Thirty years ago little importance was attached to the general structure or the organization of fiscal agencies in city governments. Each municipality had certain officials who customarily administered the financial affairs; these were the city treasurer, the auditor or controller, the city collector, and

the assessor. Their method of selection was usually by popular election, which gave each one an independent status in the local administration. The mayor had little or no supervision over the fiscal officers or their methods of procedure. Various decentralized checks and loose counterchecks were maintained in the hope of preventing dishonesty in the use of city funds. For the most part, city governments lacked businesslike organization to handle one of their most necessary major functions, namely, municipal finance.¹

With the beginning of the commission form of government in 1901, the reorganization of city financial administration was encouraged. Fiscal functions were recognized as being important enough to departmentalize. As a result, a department of finance was established under the direction of one of the commissioners. This department consisted of the assessing office, the collecting office, the treasury, and the accounting and auditing office. In some cases, however, the latter office was placed under some official directly responsible to all the commissioners. Later when budget procedure and centralized purchasing were developed, they were in most cases placed in the department of finance.²

The introduction of council-manager government in 1908 soon gave more stimulus to fiscal management. The department of finance, under this form, became better organized and was placed in a more strategic position in the general framework of administration. Actually it has become one of the manager's most effective aids in directing the city's business. The information furnished by this department enables him to exercise close supervision over all the municipal activities. He looks to this general agency to carry out all financial regulations, to collect all the necessary facts for budget making, and to prepare it for his approval and presentation to the council. Finally, the department of finance assists in the enforcement of the budget after its acceptance. In cities using neither the commission nor the manager form of government,

¹ A. E. Buck and others, *Municipal Finance* (New York, 1926), pp. 8-9.

² *Ibid.*, p. 9.

the mayor has many of the duties and responsibilities of directing the fiscal affairs of the municipality.

This has been the general pattern of development for financial organization in cities of the United States.³ A question which reasonably follows now is: what are the present forms of organization for fiscal management and what seems to be the tendency for their future development?

Present Organization for Fiscal Management. The financial structure of American cities is of two general classes: centralized and decentralized. In the centralized type nearly all of the offices and divisions performing financial functions are placed under the control of one authority, and ordinarily consolidated into one branch or department. On the other hand, in the decentralized type the fiscal activities of the city are located in numerous separate agencies, each of which is charged with duties of varied character and importance, and all of them having different degrees of autonomous power. It would not be amiss to discuss these two types briefly.

The extent of centralization realized under these two types of financial organization differs among cities. Cities which have their financial administration largely centralized may be divided into three groups, depending upon the degree of concentration. In the first of these groups the fiscal activities are placed in one department, the head of which is practically independent of the other administrative departments and free of any general executive supervision. Commission-governed cities usually have this kind of centralized financial structure. The second group is characterized by those cities which have centralized the fiscal control in the chief executive, but have not consolidated their financial activities into one department. This form may be found in the strong-mayor plan of government. The third group comprises those cities which have not only centralized financial control in the chief executive, but have consolidated their financial functions in one department headed by an officer who is responsible to the chief

³ For a comprehensive discussion of municipal financial organization, see John M. Pfiffner, *Public Administration* (New York, 1935), Chap. XIII.

executive. This type of organization is frequently to be found in cities using council-manager government.

As suggested by A. E. Buck, those cities having the decentralized type may also be classified into three groups: (1) those in which the separate fiscal agencies are virtually independent of one another and operate under laws generally and specifically applicable to them; (2) those in which such independent agencies are under board supervision; and (3) those in which such agencies are under executive supervision.⁴

A Suggested Plan for Financial Organization. The present tendency in municipal financial administration is in the direction of consolidation of the various fiscal agencies and a centralization of control over them. The integrated department of finance exemplifies an approach toward a more idealistic system. It provides a means of orderly and systematic arrangement for financial activities under the control and supervision of the chief executive. A unified department of finance adds strength to general city administration and facilitates effective executive control. It decreases complexity in conducting city business, serves to decrease losses due to poor management, and diminishes unwise expenditures of the various operating divisions.

At the head of the city's organization for fiscal management should be the director of finance, appointed by and responsible to the manager or mayor. He should be regarded as the chief financial officer of the city; the council and the chief executive should look to him as adviser in all matters relating to finance. The four or five divisions or bureaus in the department might be designated as follows: (1) accounts, (2) treasury, (3) taxation, (4) budget, (5) purchase and supply.

Two other functions which are closely associated with the department of finance are personnel supervision and pension administration. In the smaller cities both activities might be made a part of the work of the department of finance. In large cities a more effective administrative policy might require the

⁴ Buck and others, *op. cit.*, pp. 10-17; and Alfred G. Buehler, *Public Finance* (New York, 1940), p. 41.

personnel problem to be under the direction of a separate agency. The management of pension funds, however, should be in the department of finance.⁵

It would seem wise that the director of finance appoint the heads of the various bureaus or divisions with titles corresponding to the above-named bureaus: (1) controller, (2) treasurer, (3) assessor, (4) director of the budget, and (5) purchasing agent. A wise administrative policy would dictate that these, as well as subordinate positions, be filled with persons of special training and ability. Now a brief statement with reference to each of these bureaus is in order.

The bureau of accounts, under the direction of the controller, should be responsible for keeping the general accounts of the city and for supervising departmental accounting systems and budget control operations. It should maintain a current auditing control over all receipts and expenditures, furnish the council and the administration with current information on the financial position, and collect data for and administer the budget. The current audit is to be distinguished from the independent audit, or post-audit, which should be arranged for by the city council and performed by some agency completely independent of the administrative divisions. In some sections such an audit is made by the state, while in others the council employs a firm of private auditors to make a periodic audit.

The bureau of the treasury, headed by the treasurer, should be charged with collecting, keeping, and paying out city funds. Payments should be made only upon the authority of the controller. This bureau should keep such records and books as are necessary for recording all receipts and disbursements, as well as bond transactions. A record of money in city depositories should also be kept by this bureau.

Under the direction of the assessor, the bureau of taxation should provide for the proper distribution of the tax burden imposed through the taxing and other powers delegated to the city government. This function would involve the assess-

⁵ Buck and others, *op. cit.*, pp. 17-18.

ment of property, the taxing of businesses, and the determination of benefits and privileges. It should keep the necessary records and rolls pertaining to this work.

The bureau of the budget should be responsible for financial planning. This agency should be charged with preparing the annual budget for the mayor or manager, and for carrying out investigations and surveys into the financial conditions and operations of the city.

The bureau of purchasing, directed by the purchasing agent, should buy the supplies, materials, equipment, and various contractual services for all the departments, offices, and institutions of the city government. All printing should be under the supervision of this bureau. The purchasing agent should not place any orders or enter into any contracts without the approval of the controller, certifying that unencumbered appropriation balances are available for their payment.

Finally, place, circumstances, and conditions do and should influence the type of financial administrative organization which may be set up. One can readily imagine many localities where the organization as outlined and described above would be neither advisable nor necessary, or where a different type of organization might prove more efficient.

THE BUDGET

The revenues and expenditures of any government are by their very nature circumscribed. No municipality has ever enjoyed unlimited income or unrestricted license to spend as much as it might desire. With limited finances on the one hand and ever-expanding municipal services on the other, a grave problem confronts every city administration. How may the municipality most adequately use its limited finances to encompass the many demands made upon it? The answer to this question is obviously by financial planning.

A budget is nothing more than a plan of financial operation for a given period of time. Each individual figure in the budget represents a municipal activity, an act performed by some city agency or official. Since cities exist to carry out functions

essential to group welfare which the individual members of the group themselves could not perform successfully, each budget figure symbolizes a necessary community activity as part of the municipal life. Considered in this light, a budget is as necessary to the small town as it is to the large city.

Financial planning in municipal affairs has not long been the practice in this country. Prior to 1900 it was virtually unknown, although in England it had been employed for years. Customarily, city councils appropriated money for various activities and blindly hoped that the revenues thus provided would be sufficient to meet all fiscal requirements. Political expediency often determined the amount of expenditure. No one knew whether there was a surplus or a deficit until the end of the year, and even then the facts presented were all too often not reliable because of the loose accounting system employed. In case a balance was discovered, it was frequently spent promptly, and deficits were hidden by temporary loans or bond issues.⁶

As cities grew and came to perform more functions, their financial burdens increased to the point where such a haphazard system of finance proved inadequate and unsatisfactory. Since the turn of the century, almost all cities have adopted some form of budgetary control either on their own initiative or because of state law. These systems in certain instances are quite adequate and employ the most modern financial practices, while in other cases they are merely nominal in character. Many cities are using budgetary systems lying between these two extremes.

Municipal budgets may be classified into three main types: (1) executive, (2) legislative, and (3) commission or board. The general organization of the city government usually determines which type is employed. The executive budget is one in which the mayor or manager is responsible for the preparation, and to a large extent the execution after its adoption by the council. Only in the manager or the strong-mayor forms of city government may the executive budget operate; it is

⁶ Henry G. Hodges, *City Management* (New York, 1939), p. 132.

not suitable to the commission or the weak-mayor forms. These latter forms may best be served by the legislative or the commission type of budget. When the legislative type of budget is used, the city council takes responsibility for its preparation, a committee of the council usually being charged with the duty. Under the commission type a board, usually consisting of leading administrative officers and council representatives, formulates the financial plan. Neither the legislative nor the commission type definitely places responsibility upon a single executive or administrative officer for carrying out the budget plan after its adoption by the council.⁷

Preparation. Financial specialists and students of public administration generally agree that the responsibility for initiating the financial plan for the city should be placed in the hands of the chief executive. The present tendency to centralize administrative duties and responsibilities would seem to substantiate this viewpoint. The chief executive is especially well qualified to assume the responsibility for the preparation of the budget since he is, on the whole, responsible for the operation of the various administrative units with whose functions and activities he is familiar and over which he has control. It would seem apparent that the executive type of budget offers more advantages than does either of the other types. Furthermore, it is the dominant type today.⁸ One writer goes so far as to say that if the existing organization of the city government does not permit the chief executive or administrative officer to assume full authority in budget making, "then there is strong reason for reorganization."⁹

To assist in the preparation of the budget, the budget-making authority, whether manager, mayor, board, or committee, should have some assistance. A properly organized department of finance, as we have previously noted, adequately fulfills this requirement. Within this department all budget information is assembled and classified. Some cities

⁷ A. E. Buck and others, *op. cit.*, pp. 87-88.

⁸ *State and Local Budgetary Methods*, a report of the Committee on State and Local Taxation and Expenditures (Washington, D.C., 1935), p. 7.

⁹ Buck and others, *op. cit.*, p. 88.

have a director of the budget whose function it is to gather fiscal information and present it to the proper budgetary authority. Small cities customarily delegate this function to the chief accounting officer or to the controller. A trained, permanent staff having free access to all information necessary to its work furnishes invaluable assistance in the preparation of the budget.

Proper budget preparation and enactment necessarily involves certain procedures. Generally these are as follows:

1. Preparation of revenue estimates.
2. Calculation of fixed and unavoidable expenditures.
3. Call for departmental expenditure estimates.
4. Preparation of departmental expenditure estimates for submission to the chief executive.
5. Revision of departmental expenditure estimates and preparation of the proposed budget by the chief executive or other budget-making authority.
6. Consideration of the proposed budget and formulation of the tentative budget by the legislative body.
7. Public hearing on the tentative budget.
8. Final action on the budget by the legislative body.¹⁰

The first five of the above-enumerated steps pertain strictly to budget preparation, and the last three apply to budget enactment which is to be considered later in this chapter.

Work on the budget should begin early enough to allow for a careful consideration of all the factors necessarily arising in the process. In making up the revenue estimate for the coming year, considerable assistance is rendered if, in addition to current income, the detailed revenue receipts from each source derived by months for at least the two preceding years are made available. These revenue receipts are good for the purpose of comparing past income with future expectations. It is also necessary to take into account uncollectible taxes and special assessments in estimating receipts for the coming year. The completed revenue estimate should show the amount of surplus revenue from the current year which will be avail-

¹⁰ Carl H. Chatters, "What's in a Budget?" *The Tax Digest*, Vol. XV (August, 1937), p. 266.

able for expenditure during the coming year. Similarly, the receipts of the two preceding years should disclose the amount of revenue carried over at the end of each fiscal period.¹¹ Fixed and unavoidable expenditures for the coming year should also be considered. These may include numerous items, such as judgments and costs, interest on general bonds and notes, maturing general serial bonds, actuarial requirements for the sinking fund and pension system, the governmental unit's share in the cost of improvements for which no bonds are issued, and estimated deficits in any funds at the close of the current year. Revenue estimates and the schedule of fixed and unavoidable expenditures must both be considered.¹²

The next step in an orderly system of budget preparation is a request by the chief budgetary officer that all departments and agencies submit their expenditure estimates for the coming year. These estimates should be made on uniform budget forms which are sent to each department or spending agency. To assist the various agencies in formulating their estimates, past expenditures might be entered upon these forms before they are sent out. In certain instances a tentative allocation of the total revenue available to the department or agency for the approaching fiscal period might be made on the forms and the department asked to limit requests to that amount. Additional requests might be listed in order of their preference. This procedure gives the spending agency an idea of what is to be expected on its part and also serves to minimize the natural tendency to pad expenditure requests.

Proper budgetary procedure prohibits granting an appropriation to any department unless it has submitted detailed estimates to justify the grant. Moreover, an agency which collects revenue certainly should not have the right to spend such money outside of the budget, for to permit this would defeat the entire budget plan. The use of standard classifications for revenues and expenditures constitutes a very important factor in budgeting systems, and more or less classifies

¹¹ Carl H. Chatters, "What's in a Budget?" *The Tax Digest*, Vol. XV (August, 1937), p. 267.

¹² *Idem*.

fiscal information of different periods in the same language, thus greatly facilitating accurate comparisons.

Cities vary in regard to their practices in preparing and submitting estimates. As a rule, the more progressive ones require a detailed compilation giving not only the total amount requested, but complete information as to the specific purposes for which money is desired. Some cities employ three general forms for gathering estimates: one for personal services; one for supplies, materials and equipment; and one for all other expenditures. Personal service forms list salaries and wages for permanent and temporary employees, and include fees and compensation for other types of personal service. Customarily, each class of employee is listed separately on the basis of the different salary or wage scales involved. Forms for reporting materials, supplies, and equipment include information as to the amount requested, the unit cost, and the amounts requested and received in years past. All other expenditure forms may touch on such things as fixed charges and contributions, land, structures, other capital outlay, and debt charges.

Along with the departmental expenditure estimate, the departmental head or its financial officer should submit a work program to the budgetary officer. As a matter of fact, the estimate should be based on it. One municipal executive described the budget as a work program with a dollar sign in front of it. This becomes more understandable when we realize that a work program is nothing more than a forecast of the character and amount of work to be done by the various city departments and agencies for the ensuing year. For certain activities such as street construction, street cleaning, refuse collection and disposal, the work program should show the number of units of work which the department contemplates doing during the coming year, along with the unit and the total cost. The activities of the current and the preceding year could well be considered by means of comparable data. It would seem then that a work program lends persuasion to the view that every department head should have, namely, that the

budget is not merely a plan for spending money, but a method or means of accomplishing results.¹³

After the estimates and the various supporting data have been assembled by the budget agency, the budget-making authority begins the process of consolidating them. In doing so, he will need some assistance from the department heads. Conferences with them and other interested individuals or agencies aid materially in ironing out difficulties and misunderstandings which may arise between the budgetary officer and the representatives of the various spending agencies. With all the information before him, it is now possible for the budgetary officer to prepare a statement showing the relationship between the proposed expenditures and the anticipated income. These facts and figures are made ready for consideration by the mayor or manager. Careful review and revision of these estimates is essential to a satisfactory budget plan. Any other method would prove unsatisfactory, and the budget would be merely a compilation of estimates.

These estimates in the beginning are made by individuals who have great interest in the work under their supervision and who regard it as being the most important activity the city carries on. From the standpoint of the community as a whole, it is essential that the estimates be examined by one who has a broad perspective and understanding of the needs of the entire city and who considers the various demands in the light of income available to meet them. Clearly the proper person to do this is the mayor or manager. No other official is better acquainted with the financial condition and the needs of the municipality than is the chief administrator.¹⁴

The last step in the preparation of the budget is its submission to the city council for consideration. In some cases public hearings are held on the tentative budget prior to the actual submission to the council or commission. This seems to be the practice where the budget-making authorities not only

¹³ *Municipal Budget Making and Budgetary Control* (The Municipal Finance Officers' Association, Chicago, 1935), p. 3.

¹⁴ Buck and others, *op. cit.*, p. 93.

prepare, but practically enact the budget. In most cities, however, public hearings are held by the council, and this is particularly true of manager cities.¹⁵ A budget document, in the light of good practice, should be clear, concise, and understandable, and should consist of the following:

1. A budget message which explains the principal items and outlines the city's experience during the past year and its present financial status, as well as makes recommendations regarding the financial policy for the coming year.
2. A budget summary which shows all the estimated revenues and expenditures of revenue funds on a single page, revenues being classified generally by main sources and expenditures by character and object.
3. A schedule showing in detail the revenues from each source for the current year and each of the two preceding years, and also the estimated revenues from the same services and any additional sources for the ensuing year.
4. A schedule of fixed and unavoidable expenditures for the coming year.
5. Schedules of departments showing for each its expenditures for the past two years, estimated expenditures for the current year, departmental requests, and the amount recommended by the chief executive; this information should be classified by fund, function, activity, character, and object.
6. Departmental work programs to be determined by changing departmental policies, as well as by the amount and character of services to be performed.
7. A statement of debt, a debt schedule of interest requirements, an analysis of tax and special assessment delinquency, and a schedule of short-term borrowing transactions.
8. A summary of proposed capital outlays, classified according to means of financing.
9. A budget for each public utility operated by the city, attached as separate units to the budget document.
10. An appropriation ordinance, tax levying ordinance, and borrowing ordinance to carry the proposed budget into effect.

¹⁵ Buck and others, *op. cit.*, p. 94.

11. A schedule of salary and wage rates applicable to each class of position; a salary ordinance if the proposed calls for salary scale changes which require legislative approval.¹⁶

The enactment of the budget is an annual affair and may be done only by the city's legislative body.

Enactment. Submission of the proposed budget to the governing body should take place from three to six weeks before the beginning of the fiscal year. The reason for this is that most legislative groups require that much time for their budget deliberations. A budget calendar conscientiously enforced prevents any last-minute hurrying and discourages operating during the next fiscal period without a completed budget plan. In unusual circumstances, temporary appropriations may be made to tide the administration over for a few weeks when the budget deliberations are unduly delayed. Effective planning and careful execution, however, should make this a rare exception.

Fiscal matters, as a general rule, receive consideration in the city council by a finance committee of one sort or another. The usual practice is immediate reference to this group upon submission of the proposed budget. This committee examines the budget carefully, makes investigations as it sees fit, holds hearings, and then reports to the council. Council members who do not serve on the finance committee usually accept the committee's report and vote its adoption. This illustrates a grave weakness in council budget procedure, especially in mayor-council cities. Consideration of the budget and the publicity given to its requirements by city councils should be more extensive than at present.¹⁷

Public interest may be stimulated by bringing the chief executive and his department heads before the council where

¹⁶ *Municipal Budget Making and Budgetary Control*, pp. 4-5; *The Support of Local Government Activities* (The Committee on Local Government Activities and Revenues, Municipal Finance Officers' Association, Chicago, 1939), pp. 30-31. Also see Bill N. Taylor, *A Practical Guide for Budget Making in Texas Cities* (League of Texas Municipalities, Austin, 1944), pp. 17-32.

¹⁷ Buck and others, *op. cit.*, p. 97.

they can be quizzed or opportunity given for discussion of relevant matters. This may prove quite beneficial for a number of reasons. The minority or opposition in the council is thereby afforded the opportunity to air likes and dislikes. The public, too, is provided the occasion to be heard as well as to listen. Both the administration and the citizens gain from an open and fair discussion of the city's financial condition. Experience has shown that more can be accomplished during these council budget hearings if the chairman of the finance committee or the council's presiding officer explains the general fiscal policies set forth in the budget. If there is lack of aggressive leadership, perhaps the manager or mayor may make the oral explanation or "budget speech," as it is known in England. A discourse of this nature gives rise to general discussion, makes a news story, and stimulates public interest.

Public hearing of the budget is another means of encouraging general civic interest in municipal fiscal affairs. Some cities have met with fair success; others have failed to arouse much public attention. Perhaps no real effort is made in many instances to inspire a general interest. Customarily, public hearings are held in a rather perfunctory manner, attracting mainly real estate groups desirous of reducing property taxes and municipal-employee groups resisting a reduction in salaries and staffs.¹⁸ Apparently there is little in the budget hearing which appeals to the average citizen. As a solution, some cities are attempting to carry the budget information to the citizens by having discussion groups meet in various parts of the community. These meetings take place during the period in which the council is considering the budget. The mayor or manager speaks to the various groups on the financial policies as outlined in the proposed budget, inviting comments and criticisms. Public interest may be stimulated in this manner because it amounts to giving the municipal voters an opportunity, more or less, to have a part in the formulation of the budget.¹⁹

¹⁸ John M. Pfiffner, *Municipal Administration* (New York, 1940), p. 113.

¹⁹ Buck and others, *op. cit.*, p. 98.

City councils in those places where good budget practices are most successful consider the fiscal requirements of each department or agency separately. The amount to be allotted to each is ascertained after individual consideration; then when the discussion of expenditures is concluded, the total of the proposed departmental appropriations is compared with the total anticipated income. Some city councils are permitted only to increase the items submitted to them by the budget-making authorities, while others may merely decrease the proposed amounts. It is evident that the power of increasing is always limited by the total of the estimated income. A serious question of limitation often arises in municipalities where the policy-determining and the policy-executing powers rest in the same individual or agency, as is the case in the mayor-council form of government. Here the mayor becomes a part of the budget-making authority and at the same time may have a veto over council appropriations; thus it is possible for him to have a hand in both planning and voting the budget.

After their enactment, budgets may be classified in a manner other than executive, legislative, or board, as previously indicated. They are either lump-sum or segregated budgets. Under the lump-sum type, estimates are submitted in detail, but appropriations are voted in totals to each department or agency. Broad classifications of appropriations are made by function or object, e.g., personal services, materials, and so forth. The head of the department or agency is given freedom to exercise his own discretion as to how much of the amount allotted him will be spent each month and for what purposes. His only limit rests in not exceeding the total. A lump-sum budget achieves flexibility. At the same time, it is not unusual to find the appropriation spent before the fiscal year is over. In this event, it becomes necessary for the council to enact a supplementary appropriation measure or to allow the city to go without some essential service until the next fiscal year begins. A deficit results from the former alternative and a storm of protests from the latter. Most cities no longer use the lump-sum budget because of these and other defects.²⁰

²⁰ William B. Munro, *Municipal Administration* (New York, 1924), p. 162.

Appropriations under the segregated budget plan are voted in detail, and a definite sum is allocated for every item of proposed expenditure. The detailed allocation may be carried to any desirable degree, depending upon the wishes of the governing body. Some cities itemize the salary appropriation of every official on the pay roll. Usually, however, segregation does not go that far. It is claimed that this type of budget compels careful planning of all city expenditures, and hence avoids needless outlays. Each department and spending agency must justify every dollar to be spent. On the other hand, foreseeing all detailed expenditures which will arise may be far from possible; emergencies and accidents are bound to occur. A change in conditions or circumstances may make it feasible to spend more for one group of items and less for another. When a budget is minutely segregated, the freedom of the departmental head and the chief administrator becomes very limited, and this may result in impairing control and management. After all, financial control may be used as a tool by management. Some leeway may be provided, however, by allowing each department a reasonable sum for emergencies or by providing a larger sum in the budget to serve as a general reserve.

The two budget plans, lump-sum and segregated, both have their shortcomings. To overcome these, some cities are using a combination of the two, namely, the allotment budget plan. Briefly, this consists of lump-sum appropriations which are made to the various departments and agencies, but on a monthly or quarterly basis. This plan will be considered in more detail in connection with our discussion of work programs in the section which will follow on budget enforcement.

The cities which achieve the most satisfactory results with their budget systems follow the practice of drafting a set of legislative bills which make provision for appropriations, revenues, and borrowing. These bills are properly prepared by the manager, mayor, or other budget-making authority, and presented along with the budget document to the city council. The common practice among cities today is to have a single

comparing appropriations with the budget plan of expenditures. Passage of supplementary bills from time to time during the fiscal year is likely to defeat the balance of the whole budget system. If the appropriation is made to an organization unit and not to a function or activity, then budget responsibility becomes more of a reality. Properly phrased, an appropriation has three essential features: a "definite amount" to be applied to a "certain purpose" during a "fixed period."²¹ Obviously, indefinite revenue and continuing appropriations cannot meet these requirements.

After appropriations have been made and the tax levies fixed, a public statement should be issued by the council or chief executive officer of the city regarding the budget as finally adopted. This statement should show the council's final action as affected by the executive veto in case it was exercised. Also it should include a summary of the budget as finally adopted and a comparison made with the proposed budget as sent to the council. The changes made during discussion and adoption have a place in the public statement which should be given to all city newspapers. A budget system stands in a much better position to produce desired results if there is general citizen interest in its objectives. Effective budget publicity is a means to an end, not an end in itself.

As a final word, never should it be lost sight of that the city council alone passes the budget and designates the sources for raising the revenue with which to finance it.

Enforcement. An effective municipal budget system does not stop with the preparation and enactment of a financial plan. It extends also to the important matter of enforcement. To devise a satisfactory budget is one thing; to carry it out properly is another. Enforcement therefore becomes one of the major responsibilities of the city's chief executive, working with the accounting and auditing divisions of the department of finance. Once the appropriations have been made by the city council, budget control and supervision become an integral part of administration, and the council's authority over

²¹ Buck and others, *op. cit.*, p. 47.

spending should practically cease. Responsibility, then, for carrying out the fiscal program rests with the city's chief executive and not with the governing body.

In executing its budgetary policies, Mr. Chatters suggests that the city should meet the following requirements:

1. Call for departmental allotments and work programs after the budget appropriations have been made.
2. Preparation of departmental allotments and work program.
3. Revision and approval of departmental allotments by the chief executive.
4. Application of budget control to purchase orders.
5. Application of auditing control to all budget transactions.
6. Preparation of statements showing the status of the budget during the year.
7. Periodic review of budget operations by the chief executive and revision of allotments to meet new conditions.²²

From another point of view, these steps may be considered methods or essentials of sound budget control. Each contributes to the appropriate placing of responsibility and supervision in the hands of the chief administrator.

With the passage of the budget, the duty of preparing work programs falls upon the heads of the various agencies and departments. A work program, by and large, is an allocation of the lump-sum appropriation of a department for current operating expenses to the activities or working units of that department in order that each unit may get its proper share. The administrative head of the agency or department prepares the work program in line with fiscal policies set by the council. The program should be reviewed by the city's chief administrative officer, and is subject to periodic checks and revisions during the year. No better means can be employed for the purpose of taking into consideration the seasonal variation in departmental activities and requirements.

Upon receiving all of the departmental work programs and allotment requests, the chief executive is in a position to total

²² Chatters, *op. cit.*, p. 266.

them by quarters or months, thereby determining the demands upon the treasury during each allotment period. A comparison with the revenue estimate indicates whether adjustments of and revisions in the work programs will be necessary. If so, the chief administrator consults with the department heads and attempts to work out some arrangement agreeable to them. The chief executive now sends certified copies of the revised work programs and allotment requests to the department heads, the finance officer, controller, or chief budget officer, as the case may be. These certified copies are executive allotments and represent the amount to be spent during a certain period for a specified function. Actual control of expenditures results; positive restrictions are placed on loose spending and spending in excess of appropriations. Since allotments are made by departmental heads with the approval of the chief executive, the council is not concerned with budget items except perhaps in extraordinary situations. Transfers between funds are not a council responsibility; thus little incentive exists to pass additional or supplementary appropriations for them. Furthermore, an added advantage lies in the flexibility of the executive allotment system. Revisions may be made in the allotment at the beginning of each period, in this way allowing a more careful examination of requests and requirements at a time when more is known about them than would otherwise be true. All this makes possible a reduction in cost and avoids conditions which might lead to over-expenditure. By and large, an allotment system composed of work programs supported by cost data affords the chief executive a means whereby he can effectively control the various departments and agencies of the city government.²³

Enforcing a budget system means to a large extent controlling and supervising expenditures. Thirty to 40 per cent of all city operating expenses goes for the purchase of various commodities. Effective purchasing, then, will contribute in a large measure to the solution of the expenditure control problem. Organization of the purchasing agency becomes

²³ Buck and others, *op. cit.*, pp. 106-108.

essential. Best results apparently have been obtained in those cities where the centralized purchasing agency is a bureau or division in the department of finance.²⁴ Heading the agency is a purchasing agent appointed by the director of finance and responsible to him. This makes of purchasing one of the major divisions of the department of finance. In some cases where city functions have not been properly integrated and departmentalized, an independent purchasing agency is common; it usually is responsible to the mayor or the chief administrative officer. Regardless of the form of organization, the purchasing agent himself occupies a position of importance. Since most of what the city buys is purchased through him, he must be skilled in the art of buying and in securing favorable prices. He is interested in pooling purchases, standardizing articles, testing various purchased goods, seeing that all purchases are inspected, realizing cash discounts, selling obsolete or unused materials or equipment not usable to advantage somewhere else, and establishing a central storeroom for supplies and materials to be operated under a stock control system.²⁵

Purchasing procedure provides a definite basis for controlling expenditures for commodities bought for city use. No two cities employ the same procedure; however, good procedure in most cases would dictate that the purchasing agent obtain from the various using agencies estimated purchase needs for some definite period determined by the agent on the basis of buying advantage. This makes it possible for him to have sufficient goods on hand or contracted for as ordinary needs may demand. To do this he submits bids and makes awards to the lowest and best bidders. The using agencies are notified of the prices fixed under these contracts. For goods not ordinarily carried in the storehouses, a requisition is made out in duplicate by the requesting agency and a copy sent to the purchasing agent in sufficient time to secure the commodity when needed. The agent makes out a purchase order which

²⁴ *Ibid.*, p. 268.

²⁵ *The Support of Local Government Activities*, pp. 31-32.

must be approved by the controller. The order is usually in quadruplicate form, one copy going to the vendor, one to the controller, another to the requesting agency, and one is filed by the agent himself. No contract, purchase order, or order on stores is valid unless the controller or auditor certifies that he has charged the amount thereof against the proper appropriation and that it otherwise had an unencumbered balance — i.e., a balance over and above all unpaid obligations and sufficient to meet the purchase order. This prevents "hidden deficits," and only by means of encumbrances can a governmental unit know where it stands at any time.²⁶

Upon receipt of the purchase order, the vendor ships the goods to the requesting agency and sends an invoice to the controller. When received, the goods are checked by the agency ordering them and a notification of goods received is made out in duplicate, one copy being retained by the agency and the other sent to the controller. The purchasing agent takes care of all adjustments for goods received in an unsatisfactory condition. On the other hand, if the goods are satisfactory, the purchasing agent's duties end when the order is placed. The controller compares the advice of goods received with the invoice, makes proper entries, and approves the invoice for payment by the treasurer. A somewhat similar procedure is followed in regard to securing supplies and materials from a central storehouse. All in all, a centralized purchasing procedure as outlined above affords a rather satisfactory means of controlling and supervising purchase expenditures.

Budgets do not enforce themselves. It requires only a short time for just one agency unchecked to render an otherwise effective budget program ineffective. For this reason, audits and reports are necessary. These are methods by which the finance officer may keep his fingers upon the pulse of each spending agency and determine its operating condition. The audit more or less represents the finance officer's diagnosis, while the reports come from the agencies themselves.

Budgetary accounts are set up on the basis of the appro-

²⁶ Chatters, *op. cit.*, p. 281.

priation ordinance. Accrual accounting methods provide that no obligation may be incurred by any operating agency until the accounting department has entered the encumbrance on its books. The budgetary account sheet shows all such obligations and indicates, after a comparison with the agency allotment, whether or not there is an unencumbered balance. The controller may not authorize any expenditure unless the agency has funds with which to meet the obligation to be incurred. This check on proposed expenditures mentioned in the above discussion on purchasing is known as the "pre-audit."²⁷ It constitutes a very effective means of controlling and enforcing the budget.

The finance officer should be constantly informed as to the current status of the budget operations, and a properly designed accounting system will furnish him automatically with pertinent information regarding revenues and expenditures. He will desire information regarding the revenues collected to date as compared with the estimate, the same for each class of revenue, the expenditures to date as compared with the estimates, the same for each agency, and the surpluses or deficits in each of the above categories.²⁸ All of this information should be contained in reports which come to his desk at periodic intervals, either daily or weekly. These financial reports will take the form of balance sheets, statements of actual revenue as compared with estimates, statements of expenditures and encumbrances as compared with appropriations, operating statements, statements of cash by funds and banks, forecast of cash position, statement of tax levies and tax collections, statement of unpaid special assessments, and debt statements.²⁹ From these, the director of finance prepares whatever reports the chief executive may require.

At least once a month the budget operations should be reviewed by the chief executive. If conditions warrant such

²⁷ Pfiffner, *Municipal Administration*, p. 116.

²⁸ *Ibid.*, p. 121.

²⁹ *Standard Practice in Municipal Accounting and Financial Procedure*, Accounting Publication No. 3 (Municipal Finance Officers' Association of the United States and Canada, Chicago, 1937), pp. 22-24.

action, he may curtail appropriations by requiring departments to submit amended allotments and work programs. Departments which have not used all of their allotments for one period may have what remains added to the next month's allotment. At times, however, it is possible to revise appropriations downward for some activities and upward for others on the basis of changes so disclosed. If a department wants an increase in its original allotment for any period, the chief executive should investigate the request carefully, and in all except emergencies allow the increase only on condition that the department make a corresponding saving in an allotment for a future period.³⁰

A final check upon the budget operations rests in the "post-audit," or external audit, as compared with the "pre-audit," or internal audit. The purpose of the "post-audit" is to verify the financial condition of the municipality at the end of a fiscal period, to determine what the revenues have been for the year, to determine whether expenditures were made in accordance with law, to detect and prevent fraud, and to detect errors in principle or calculation. "Post-audits" may be made either by a municipal department, by independent private accountants, or by some state agency.³¹ The city council usually provides for an audit by an independent private accounting firm as a means of checking the administration in the enforcement of the budget plan. Auditing and reporting are considered more fully in a later chapter.

In an effort to improve local budget administration, states have passed rules and regulations regarding the budget process of their local units. Many states have adopted uniform budget laws; some state laws even prescribe the budget-making forms to be used by the local agencies. Several states provide for machinery to review local budgets before they are finally enacted into law. The Model Municipal Budget Law allows for state supervision by requiring the municipal budget-making authority to submit a copy of the proposed budget

³⁰ Chatters, *op. cit.*, p. 282.

³¹ *Standard Practice in Municipal Accounting and Financial Procedure*, pp. 22-24.

to the state authority on or before submission to the local legislative body. The state officer reviews the city budget and considers the sufficiency of the appropriation provisions for payment of sinking fund requirements, principal and interest on public debt, and deficit or overexpenditure of the preceding fiscal year or years. If he deems the provision insufficient for any of these purposes, he recommends a larger amount which the local legislative council must accept.³² Various states furnish their municipalities with the services of budgetary consultants who confer with local officials on budget problems. Some even assist or advise in the preparation and enactment of the budget document. State laws and other regulations as to municipal debt limits, local accounting and auditing systems, tax assessment and collection, and other matters indirectly have a bearing upon the local budget process. It is believed by many that state supervision has a definite place in the scheme of an efficient municipal budget system.³³

³² *A Model Municipal Budget Law*, Supp. to the *National Municipal Review*, Vol. XVII, No. 7 (July, 1928), p. 445.

³³ *State and Local Budgetary Methods*, p. 30.

Taxation



MUNICIPALITIES in the United States derive the largest portion of their revenues from some form of property tax. But before taxes are levied, property must be assessed; otherwise taxation will be uncertain, unsystematic, and arbitrary.

ASSESSMENT

An assessment, as we shall consider it here, is a formal valuation of property as the basis for levying a tax which has been authorized by law. What properties may be assessed and the procedure to be used in so doing are likewise determined by law. In some parts of the country the function of assessing property for all taxes, whether state, county, or municipal, is entrusted to the municipal assessors. In others it is performed by the county, and in some the city and the county make two separate assessments of the same property.

Regardless of the method employed, two facts must be determined before the city can properly levy its taxes. First, the total assessed value of all taxable property in the city, as evidenced by the assessment roll, must be ascertained. Second, the amount to be raised by taxation, as indicated by the budget, should be determined. The tax rate may be established by dividing the latter figure by the former. This rate, which is expressed in terms of mills or cents on the dollar of assessed valuation, or in terms of dollars on the hundred or thousand dollars of assessed valuation, is then applied to the assessed values of individual properties in order to arrive at

the amount of tax due from each taxpayer listed on the tax roll.¹

The assessed value of property for taxing purposes should be arrived at by means of some standard, as unit front-foot values in the case of land. But the standard of value to be used has given rise to much speculation. Laws are phrased in such terms as "fair value," "full value," "cash value," or "fair cash market value." Court decisions have given these terms content, but unfortunately they pertain to special rather than to general cases. State tax commissions, too, have given meaning to them through administrative regulations which govern the methods to be used in determining value. The difficulty lies not only in the meaning of such phrases, but in the complex nature of value itself. There are some who attempt to measure it psychologically in terms of satisfaction, which can never be reduced to dollars and cents. Others gauge it in terms of price, which necessitates a means for developing a current market price for all taxable objects.

Value must be applied to many divergent types of property, for example: (1) real estate used for ordinary commercial, industrial, or residential purposes; (2) fixtures, machinery, and equipment used by merchants, manufacturers, and public utilities; (3) office equipment of business and professional men; (4) stocks in trade of merchants and manufacturers; (5) household and personal goods; (6) bonds, notes, mortgages, and other evidences of debt; (7) shares of corporate stock; and the like. Changes in cost and fashion, depreciation, antiquity, and local conditions further complicate the situation for the assessor, making him a mere guesser in many communities.²

Excluding the difficult matter of determining value, municipal tax assessment procedure has been faulty in many particulars. For one thing, many assessors are incompetent. Being elective officers for the most part, they perpetuate themselves in office by playing the political game. However, even where

¹ A. E. Buck and others, *Municipal Finance* (New York, 1926), pp. 396-397.

² *Ibid.*, pp. 310-315.

the assessors are appointed, the influence of political machines may still be felt. Conspicuously absent in most jurisdictions are the technical qualifications for assessors, and the need for maintaining political favor all too often prevents the assessor from becoming qualified after obtaining office. Short terms, lack of training, and the inadequacy of assessment materials have all tended to impede the development of better techniques.

Assessors are constantly under pressure to set the value of property at something less than its actual worth. Ward and precinct leaders and property owners constitute pressure groups. Acquiescence advances the assessor along the path of political security where refusal oftentimes elects his opponent. Without intending to do so, assessors may discriminate against the poorer people who are less able to pay. They are more familiar with the value of small homes and frequently have little knowledge as to the worth of mansions or estates. This is another reason why assessment practice abounds in inequality. The general practice of undervaluation substantiates this defect. As a result, many property owners pay their neighbors' taxes.

By and large, personal property almost completely escapes assessment. Household goods and personal belongings by their very nature defeat any attempt to discover and list them. Municipal assessors, however, are resorting to various methods and means of reaching personalty. In the zone plan the city is divided into districts, including in each zone families of approximately equal wealth. Every head of a family within a certain area is assessed the same amount for personal property, the amount of assessment increasing from the poorest to the richest zone. An attempt to assess intangible personal property, such as stocks, bonds, and mortgages, has met with even greater difficulties. These holdings may be readily concealed by the taxpayer, and ordinary methods of detection will not allow even the most vigilant assessor to discover them. Today great wealth is represented by intangibles; yet most of them are never found by the assessor.

Good assessment practice requires continuous activity, although the average local assessor's office is busy only a few weeks out of the year filing assessment blanks and preparing tax rolls.³ All too often assessing is just one of the many duties the assessor must perform. Of necessity, therefore, he must frequently become merely a rendition taker.

It would seem that correct assessment procedure would require at least the following: (1) the gathering of basic information as to the ownership of all taxable property, its quantity, character, and value; (2) the systematic recording of that information; (3) an analysis of the information; (4) a just and fair application of the analysis results to each of the taxable properties; (5) the compilation of a comprehensive assessment roll; and (6) the summation of that roll. These successive steps are generally included among the duties of assessing officials as imposed by tax laws in the several states.⁴

The assessor has various sources from which to gather his information. One is the method of self-assessment by the property owner himself. In some states this constitutes the main source, but experience has shown that some owners know little or nothing about the value of their property. If they do, they are reluctant to impart such information to the assessor. A far more reliable source for tax assessment information may be found in public records — i.e., instruments filed in the county recorder's office, such as deeds, leases, mortgages, appraisals of estate, acts of trustees, guardians and probate courts, and maps of individual properties and subdivisions. From these documents the assessor can secure the names of grantors and grantees, lessors and lessees, and mortgagors and mortgagees. Metes and bounds and other property descriptions furnish facts in regard to area; location and dimensions of land can be supplemented by reference to the maps and plots on file. Information as to location, dimensions, type of construction, and use of buildings or other improvements on the land is sometimes available in public records. Some states

³ J. P. Jensen, *Government Finance* (New York, 1937), pp. 256-257.

⁴ Buck and others, *op. cit.*, p. 316.

even require the county clerk or registrar of deeds to furnish the assessor with an abstract of every transfer within a certain time after it is recorded.

Other public sources of assessment information may include the large amount of real estate material accumulated by the city itself. For instance, the city engineer ordinarily has maps used in connection with water, sewer, and paving projects. They contain information as to block outlines, ownership, and frontage of property abutting on the streets. The building inspector's office should be in a position to furnish facts regarding ownership, location, dimensions, type of construction, and cost of a building. With proper co-operation from the police department in enforcing permit regulations, no building may be erected or altered without the building inspector's knowledge. Fire department reports on damaged or destroyed buildings are also of assistance to the assessor.

In addition, certain private sources of information may be used to advantage by the assessor. Real estate and insurance maps are published by private agencies and afford a means of obtaining facts as to internal risks, external exposures, fire protection, number of stories, type of construction, materials, and the use to which a building is put. The tact and ability of the assessor may well determine the reliability of information and the extent of his obtaining from grantors, agents, owners, and tenants information which is not a matter of public record, but is invaluable in the performance of his duties. The co-operation of civic associations, real estate boards, and neighborhood groups may also be of material assistance to the assessor in obtaining desired information.

Once the tax information has been gathered, the assessor's next task is to enter it upon the proper records. Because of the ever-changing nature of our social organization, tax records must be quite flexible in order to show accurately the changes in ownership, dimensions, character, and value of taxable property. One type of form alone is inadequate. Separate records must be kept for land, improvements on land, and for personalty. It would seem wise that the index of

tax records be based on the location of the property rather than on the name of the owner, thus making it possible to assemble quickly all the facts concerning any particular piece of property.

Tax maps represent a means of recording information in regard to property; for the most part, they are used to show property location and ownership. Aerial maps, a form of tax map, are becoming more and more common, and frequently vary in scale from forty or fifty feet per inch to several hundred feet per inch. They should include all land within the municipal boundaries, showing subdivisions, streets, blocks, and lots which are indicated by name or number.

Land-value maps differ from the tax maps in that they omit lot lines and exaggerate the width of streets. Street names are indicated, and only block outlines and block numbers are included. There is no identification of property owners. Figures showing the value of the land per front foot, irrespective of corner influence or variation from standard depth, will be found listed in front of the land which abuts a street. Experts in appraising have worked out definite rules determining corner influences upon value of land, the value of irregular lots, unusually deep lots, alley and offgrade lots, and double-frontage lots. By keeping informed of sales and rentals, a municipal assessor may make adjustments in the unit values from time to time as conditions and land values change.

Attempts were made in the early development of assessment records to list data concerning buildings on tax maps, but frequent changes in the physical make-up of buildings made this unsatisfactory and expensive. As a result, cities have come to use a card or loose-leaf system for filing information of this nature. A separate card or sheet covers each parcel of real estate. Information as to ownership, location, size and type of construction, sales, mortgages, leases, rentals, fire insurance policies, and bid and asked prices can all be entered on the forms which are filed geographically, usually based on block and lot numbers. Personal property records are limited to mortgage files in the county recorder's office, the state register

of licensed motor vehicles, and the sworn personal property returns; in some few cities there is a card index system for the more important owners of personalty, giving a running summary of the amounts assessed in past years against each firm or individual.⁵

In the last analysis, an appraisal is a matter of opinion, requiring the exercise of judgment. It is only natural that individuals will differ in their judgments; particularly is this true when value is being placed upon property for the purpose of taxation. In a country where private property is paid so much deference, some machinery must be established for the settlement of differences. Consequently, boards of review and equalization have been established in most jurisdictions for the purpose of hearing and deciding grievances affecting the distribution of the tax burden.

In some cases these boards are composed largely or entirely of ex-officio members. In other cases members are elected or appointed to the office without much regard to their qualifications. As a matter of fact, the position is far from enviable. The boards' activity is generally confined to a period of one or two months or less during the year, salaries are low, and office facilities frequently are meager. The ideal board, it would appear, should be appointed after an examination of the members' qualifications as appraisers; they should be chosen for long and overlapping terms, subject to removal for cause, with a salary sufficient to attract qualified personnel, and with authority sufficient to justify the position.

Usually a taxpayer must have exhausted his legal remedies for relief by appearing before the board of equalization and review before the courts will entertain his complaint.

Municipal property assessment is faulty in many respects, but improvement of a bad situation does not seem unlikely. Interest in better assessment administration grows greater each year. State governments have begun to supervise local assessors by means of conferences, expert advice, and even the removal of unfit personnel. The assessment of railroad and other public

⁵ Buck and others, *op. cit.*, pp. 332-343.

property is sometimes performed by the state. State supervision provides for uniformity in the application of scientific standards by a central supervisory agency.⁶ The assessors themselves are awakening to the need for higher standards; state and regional organizations are being set up and periodic meetings held for discussion of mutual problems. A professional attitude is being assumed on the part of many assessors. Assessors' manuals are being prepared and schools conducted for instruction in improved assessing techniques. The reorganization of local assessing offices, studies and research in the field, and general demands for surveys and installation of standardized systems indicate an encouraging development in the field of assessment administration. The interest of civic agencies in the improvement of assessing methods seems to be constantly on the increase.⁷

Only time will decide the future effectiveness of local assessment procedure. Authorities and farsighted practitioners have in mind a system in which the number of overlapping assessing units will be greatly decreased in number, with a long term of office for the assessor who will be as completely divorced from politics as possible. The experienced assessor hopes that the time will soon come when property descriptions on district, block, and lot-tax maps to be used in conjunction with land-value maps will be common to all cities. Unit-foot rules for measuring land value and standard rules covering corner influence, triangular and irregular-shaped lots, alleys, and other minor variations are no longer a forecast of the future. A standard classification of buildings with the establishment of unit factors of value for each class and rules of economic and structural depreciation is now being applied in our more progressive cities. Co-operation with property owners in making assessments, filing a personal return for personalty, ample opportunity for a review of tentative assessments, and a fair and impartial hearing of complaints are

⁶ Alfred G. Buehler, *Public Finance* (New York, 1940), pp. 419-420.

⁷ *The Municipal Year Book*, 1946 (The International City Managers' Association, Chicago, 1946), pp. 178-182.

all dreams of the forward-looking municipal assessing administrator.⁸

REVENUES

Regardless of the governmental level, revenue is a necessity. Cities need to meet pay rolls, purchase supplies and equipment, construct improvements, and pay debt charges. Services performed by local governments constantly increase as the population increases and becomes more concentrated in a few centers. Citizens have come to demand more services, and since elective officials believe that there is a greater number of voters than taxpayers, requests for additional functions are seldom refused. At the same time, there are those taxpayers who insist that tax rates be reduced. Raising revenues, then, is one of the most important and yet most difficult problems a city has to face.

Not only are municipal services and costs increasing, but the city's share of the American tax dollar is decreasing. In 1932 the total distribution of the tax dollar was 57.9 per cent to local units of government, 20.1 per cent to the states, and 22.0 per cent to the Federal Government. The proportionate share of Federal revenues continued to grow until in 1941 the distribution was 45.6 per cent Federal, 22.0 per cent state, and 32.4 per cent local. As a result of financing the war, this trend continued to the point where, in 1945, Federal collections comprised 82.0 per cent of total governmental revenue, state collections 8.0 per cent, and local collections 10.0 per cent.⁹

The decrease in the local government's share of the tax dollar is not as alarming as appearances would indicate. An offset can be found in the increasing grants from Federal and state governments. In 1941, for example, in addition to the five and a quarter billion dollars received in revenue, units

⁸ See *Assessment Principles and Terminology* (National Association of Assessing Officers, Chicago, 1937), for a concise and authoritative discussion of the assessing problems.

⁹ *Facts and Figures on Government Finance, 1946-1947* (The Tax Foundation, New York, 1946), p. 47.

of local government received a total of \$1,794,000,000 in the form of grants and shared taxes from the Federal and state governments.¹⁰

If the various governments are compared on the basis of their total revenue receipts, the Federal Government is naturally the greater. In 1941 its revenues were approximately ten times greater than those of New York City, then the second most important unit of government fiscally speaking. By 1945, Federal revenues were fifty-two times as great as those of New York State, then the second largest unit with respect to total revenue. New York City ranked third in such a classification with its 1945 general revenue of \$705 million. Until very recent years, the general revenue received by certain large cities exceeded that received by the states in which they were located. Examples of this were New York City, Chicago, and Baltimore. In 1945, each state's revenues exceeded those for any individual city within its boundaries.¹¹

A notable development in municipal revenue systems involves the earmarking of receipts. Out of each dollar of revenue collected in 1937, twenty cents were earmarked for expenditure in certain fields — that is to say, 20 per cent of the revenues procured by cities in 1937 was beyond the discretionary control of the chief financial officer. Since the classification used by the United States Bureau of the Census previous to that year does not identify dedicated revenues, it is impossible to ascertain the trend in this regard prior to 1937.¹² A majority of these earmarked revenues are found in the field of grants and shared taxes which constitute an important source of revenue for cities. In 1944, for example, of the total received by cities from their respective states in

¹⁰ *Financing Federal, State, and Local Governments*: 1941, p. 20.

¹¹ Comparisons are drawn from data found in the following: *The World Almanac and Book of Facts* (The New York World Telegram, New York, 1947), p. 389; *Financing State and Local Governments*: 1941, pp. 114-123, 136; "Summary of City Government Finances in 1945," *City Finances*: 1945, Preliminary Summary (December, 1946), p. 4; "Summary of State Government Finances in 1945," *State Finances*: 1945, Preliminary Summary (September, 1946), p. 4.

¹² C. E. Rightor, "New Sources of Municipal Revenue," *Municipal Finance*, Vol. XII (February, 1940), p. 9.

the form of financial aid, 67 per cent was expressly earmarked for certain purposes such as highways, public welfare, and schools.¹³

The average city today has several sources of income ranging from the general property tax to donations from various sources. Numerous classifications of municipal revenues may be made, but perhaps the most logical is that used by the Bureau of the Census. This includes three general subdivisions; namely, taxes, aid received from other governments, and charges and miscellaneous. The category of taxes includes the general property tax, sales and gross receipts taxes, licenses and permits, and other taxes. Aid received from other governments encompasses grants, shared revenues, or gifts made by the Federal, state, or other local units to the individual city. Finally, the division of charges and miscellaneous covers such items as charges for current services, special assessments for capital outlay, contributions from enterprises, and other sundry receipts.¹⁴

The general property tax represents the chief source of municipal revenue in the United States, producing 64.8 per cent of the total general revenue in 1944. For a number of years, the property tax has produced rather stable revenues. In the words of a recent report, "by and large, the rank and file of municipalities continue to rely heavily upon the property tax and have made no significant changes in their revenue pictures."¹⁵ However, the increase of municipal services, with the attendant need for increased revenues to finance these activities, has forced some cities to seek other sources of income. Some suggest that the general property tax has broken down because of mounting tax delinquency, the movement for tax limitation, and the development of new sources of revenues.¹⁶ Others brand it as unjust since it fails to take

¹³ *City Finances: 1944*, p. 27.

¹⁴ *Ibid.*, p. 13.

¹⁵ A. M. Hillhouse and Muriel Magelssen, *Where Cities Get Their Money* (Municipal Finance Officers Association, Chicago, 1945), p. 1.

¹⁶ Carl H. Chatters, "Municipal Finance," *What the Depression Has Done to Cities*, edited by Clarence E. Ridley (The International City Managers' Association, Chicago, 1935), p. 2.

cognizance of the ability to pay. Another criticism of this tax arises from the fact that taxable real property fluctuates in value, with the result that the city suffers a reduction in income when its financial obligations are greatest. But despite these objections, the general property tax, as previously indicated, remains the foremost source of municipal revenue.

Aid received from other governments constitutes the second most productive source of city income. In 1944 these amounts accounted for 17 per cent of the total revenue of cities over 25,000 population.¹⁷ The United States Bureau of the Census, in its latest published data, includes grants or grants-in-aid and shared taxes together, so that the relative magnitude of each cannot be exactly stated.¹⁸ Federal aid to cities increased from practically zero in 1932 to 24.5 per cent of their total local revenue in 1935.¹⁹ In more recent years it has steadily declined. On the other hand, aid to cities from their respective state governments assumes greater proportions at the present time than does federal aid. Most of this is designated for expenditure on schools, highways, and public welfare.²⁰ Basically, these aids recognize the incapacity of local units to finance their growing services without assistance from the state. It is also true that many taxes can best be levied by some central state agency.

At the present writing, some forty-four states share revenues with local governments. The only states not sharing any revenue sources with their local units of government are these: Vermont, Kentucky, Florida, and Texas. The more important state-collected revenues out of which cities receive a

¹⁷ *City Finances: 1944*, 13.

¹⁸ A grant, as used in the Bureau's classification, denotes an amount of money other than that received from shared taxes which is received by the city from some other government — Federal, state, or local — for the financing of definite specified functions. A shared tax is a certain tax levied by the state, whose proceeds are shared with certain local units of government, usually in proportion to the amount collected in such local unit. The latter type of income varies considerably from time to time, depending upon the total yield of the tax, whereas grants-in-aid are based on need of the receiving unit in certain fields and are made for certain specified projects. See Hillhouse and Magelssen, *op. cit.*, p. 161.

¹⁹ "Municipal Revenues," *The Municipal Year Book*, 1938, pp. 34-35.

²⁰ *City Finances: 1944*, p. 27.

portion are the following: fire insurance taxes, liquor licenses, liquor store profits, gasoline taxes, and motor vehicle license fees. Other types of levies which are currently shared include general sales, inheritance, estate, public utilities, intangibles, and severance taxes. New York shares more revenue with its cities than any other state, but is followed rather closely by Massachusetts, Ohio, Wisconsin, Pennsylvania, and California.²¹ While no static over-all pattern has developed for state-collected, municipally shared taxes, this source of municipal revenue is definitely on the increase.

The general property tax and aid from other governments thus collectively account for 81.8 per cent of city revenue during the year 1944. The remaining sources are relatively small in the total picture, but brief mention should be made of them. Among these remaining items of income is that comprising sales and gross receipts taxes, which in 1944 accounted for 4.4 per cent of total municipal revenues for the year. Included in this figure, in addition to the general sales taxes and gross receipts taxes on various businesses, are use taxes and selected sales taxes on such items as motor fuels, alcoholic beverages, public utilities, and insurance. Charges for current services rank commensurately, with a percentage revenue contribution of 4.5 for 1944. These charges are in the form of fees and other compensation received by the city for services performed for other units of government or individuals, and income from minor rents and sales. Remaining sources in the revenue picture, in descending order of their fiscal magnitude, are licenses and permits, other taxes such as mortgage registry and documentary stamp taxes, taxes on bank stock and vessel tonnage, and the municipal income tax. In addition, there are other earnings and miscellaneous revenue from fines, forfeits, and unclaimed money, donations, income from temporary investment of general funds and rent of miscellaneous property, contributions from enterprises, and special assessments for capital outlay.²²

²¹ *State-Collected Municipally Shared Taxes*, Report No. 161 (American Municipal Association, Chicago, 1946), pp. 1-11. ²² *City Finances: 1944*, pp. 5, 240-247.

Municipal governments for the last few years have been vitally interested in developing new sources of revenue and increasing receipts from those already in use. This interest may be attributed to the rapid growth of municipal activities, to various mandatory expenditures, a decreasing property-tax base together with ineffectual collection procedures, a lack of definite state tax-sharing and grant-in-aid policies, and a growing conflict between the revenue systems of the various levels of government.²³ Shared revenues and grants from the state and Federal governments comprise lucrative means of procuring additional receipts from sources now being utilized. Evidence of the interest in this particular source of revenue is amply illustrated by the fact that since 1943 six states have enacted legislation designed to provide financial aid to localities in the form of grants, and since 1941 many others have passed state laws providing for increased sharing of state taxes with cities.²⁴ One of the most recent state-aid tax plans is the one put into effect on April 1, 1946, by New York State. The plan essentially provides for granting of state revenues on a per capita basis, and is so far-reaching in scope that fifty-four per cent of all state revenues will go to cities compared with forty-two per cent in previous years. Other provisions of the law are as follows:

1. The state's share of municipal relief expenses is increased from 40 to 80 per cent, leaving only 20 per cent to be financed from local funds.
2. The state will bear the full cost of snow removal on state highways and continue the present state aid to town and county highways.
3. State aid for education, which was recently increased by \$17,600,000 a year, will be continued as a separate assistance to local governments.
4. A reserve fund is established to insure continuation of payments to local units during depression periods.²⁵

²³ *The Support of Local Government Activities* (The Committee on Local Government Activities and Revenues, Municipal Finance Officers' Association, Chicago, 1939), pp. 21-22.

²⁴ Hillhouse and Magelssen, *op. cit.*, pp. 175, 182.

²⁵ "News of the Month," *Public Management*, Vol. XXVIII, No. 5 (May, 1946), pp. 145-146.

Attention of cities is also being directed toward other sources of revenue — for example, unused property taxes. A few years ago, Illinois discovered that its cities could levy forty-eight different property taxes, and after general publication of this fact, decidedly helpful results were obtained.²⁶ Various types of motorists' taxes are becoming more significant, such as: motor vehicle licenses, commercial vehicle franchise taxes, operators' licenses, vehicle inspection fees, parking meters, municipally owned parking lots, special trailer taxes, bridge tolls, and vehicular tunnel tolls.²⁷ Current attention is being directed toward both the municipal sales and income tax. While only a small number of our cities use a sales tax, it is very effective in producing revenue, and its use no doubt will be expanded in future years. Only very recently the Board of Directors of the League of California Cities, after studying their particular revenue problem for a number of years, came to the conclusion that the sales tax offered the only practical solution in financing present-day municipal services.²⁸

Toledo, Philadelphia, and Washington, D.C., are the only cities at present making use of income taxes. Philadelphia in 1944 received 26.7 per cent of its total revenue from this source, while in Toledo the tax produced approximately \$4,000,000 during 1946. Despite the administrative difficulties involved in a local income tax, and in addition to the fact that the field is by and large already predominated by the Federal and state governments, many cities currently are taking it under consideration.²⁹

Taxes on utilities hold some promise of providing additional sources of income for our cities. They may take the form of

²⁶ A. M. Hillhouse, *New Sources of Municipal Revenue* (Municipal Finance Officers' Association, Chicago, 1935), p. 29.

²⁷ Hillhouse and Magelssen, *op. cit.*, p. 79.

²⁸ "Municipal Sales Tax in California," *The Municipality*, Vol. 41, No. 6 (June, 1946), pp. 144-145.

²⁹ Hillhouse and Magelssen, *op. cit.*, pp. 102-108; "News of the Month," *Public Management*, Vol. XXVIII, No. 5 (May, 1946), p. 146; "Municipal Revenues," *Municipal Finance News Letter*, Vol. XXI, No. 2 (July 16, 1946), p. 4; "City Income Taxes," *Taxes For Democracy*, Popular Release No. 135 (The Tax Institute, New York, February 14, 1947).

licenses for the privilege of doing business, franchises for the privilege of using streets and alleys, taxes on the sale of utility services, production taxes, motor licenses, and pole or conduit rentals. Special charges, such as those made for sewer rentals and refuse collection, are constantly on the increase and become more important from year to year as a non-tax source of income.³⁰ Other sources which are being tapped by cities from time to time include business licenses, vending machine licenses, amusement taxes, cigarette and tobacco excise taxes, alcoholic beverage licenses, municipal liquor stores, chain-store taxes, and charges for services rendered outside the city limits.³¹

Not only are local governments in search of new revenues, but they are continually grappling with the vexing problem of tax exemptions. Exemption on homesteads is one very frequently to be faced, and at present this type of property is exempt in thirteen states. Some states, notably in the South, have granted industrial property exemptions in order to attract new industry and business to their localities. Certain types of property, notably that belonging to educational, religious, and charitable institutions, are exempt from taxation in all states. Federal property is exempt from taxation in twelve states, whereas the remaining thirty-six permit its taxation where the Federal Government declares it taxable. A recent additional complication to the exemption picture is that involving property of veterans and veteran organizations. A recent survey disclosed that in twenty-one states all veteran-owned property within certain limits of valuation is exempt from taxation.³²

Tax limitations also have been a part of the American municipal revenue system since 1846 when New York State

³⁰ "New Sources of Municipal Revenue," *The Municipal Year Book*, 1946, pp. 185-186.

³¹ For current information in regard to new revenues, consult the monthly issues of *Public Management* and *The National Municipal Review*, or the quarterly issues of *Municipal Finance* magazine.

³² "Cities Scan Tax Exemptions in Search for New Revenues," *News Bulletin of Public Administration Clearing House* (May 22, 1946).

began the practice.³³ The modern adaptation takes the form of an over-all limit which is usually placed on the cities by the states for the purpose of preventing extravagance, curtailing excessive indebtedness, maintaining a high credit standing, and protecting posterity from current obligations.³⁴ Laws usually prescribe that the total amount which the local government may levy under the property tax be held to a certain rate for a specified assessed valuation. Such provisions have customarily been enacted during depression times at the behest of groups speculatively interested in real estate.³⁵

The movement for tax limitation appears to be somewhat irrational. Experience has demonstrated that the plan does not work well. These strait-jacket devices have actually produced curtailed and disrupted services, have required replacement revenues the majority of which fall heaviest on the small taxpayer, have weakened municipal credit, and have ruined long-term financial planning.³⁶

A city government may be concerned over its various sources of taxable income, and over its tax exemptions and limitations, but in the last analysis; the effectiveness of its revenue system is reflected in the tax delinquencies. To have adequate bases is one thing; to collect from them is another. From 1930 to 1933 municipal tax delinquency of 150 cities having over 50,000 population rose from 10.15 to 26.35 per cent, and steadily decreased to 11.30 per cent in 1937.³⁷ By 1942, it had dropped to 6 per cent, and in 1944 an all-time low of 3.1 per cent was reached.³⁸ Doubtless, some portion of the peak delinquency was attributable to weak collection procedures. As a means of improving collections, local units have resorted to installment payment of taxes and are meeting with encouraging results. More and more citizens use the plan

³³ Frank A. Neff, *Municipal Finance* (Wichita, Kansas, 1939), p. 81.

³⁴ *Ibid.*

³⁵ John M. Pfiffner, *Municipal Administration*, (New York, 1940), p. 95.

³⁶ *The Support of Local Government Activities*, p. 36.

³⁷ *Ibid.*, p. 13.

³⁸ Frederick L. Bird, "Municipal Finance in 1942 — United States," *Municipal Finance*, Vol. XVI, No. 1 (August, 1943), p. 6; "Principles of Sound Post-war Finance," *Municipal Finance*, Vol. XVIII, No. 3 (February, 1946), p. 20.

because of smaller and easier payments. More collections are made earlier and in larger amounts in the long run. The even flow of incoming funds more than offsets the additional administrative expense. This plan offers the flexibility necessary to meet the varied needs of the individual taxpayers as well as of the city; it is establishing itself as an effective method of tax collection.³⁹

Cities are discovering that efficient collection procedure can be realized more readily where the tax collector is appointed. When the tax calendar is geared to the fiscal year, it serves to eliminate tax anticipation borrowing. Discount for payment in advance of the due date encounters undesirable results; if penalties for nonpayment were sufficiently high, this would be unprofitable. Annual sales of tax liens are best held at a regularly scheduled time, for otherwise favoritism will make its appearance. Foreclosure procedure should be as simple, inexpensive, and expeditious as possible, and in keeping with good land titles. So far as it is constitutionally possible, there should be personal liability for taxes.⁴⁰

Cancellation or remission of penalties serves not as an inducement to the payment of delinquent taxes, but rather encourages delay because of expectations of further remissions. Such a practice tends to destroy the morale of the taxpayer group, and is distinctly unfair to those who have paid their taxes on the due date or with penalty attached. It is penalizing those who did their duty and canceling the penalties of those who did not. Tax remission, then, places a city in an unfortunate and unreasonable position.⁴¹

Assessments properly made, carefully compiled tax rolls, and properly considered tax rates go a long way toward eliminating delinquencies and insuring satisfactory collections.

³⁹ Raymond Edmonds, "Installment Payment of Taxes," *Municipal Finance*, Vol. IX (August, 1936), p. 25.

⁴⁰ Committee of National Municipal League, "A Model Real Property Tax Collection Law," *National Municipal Review*, Vol. XXIV (Supplement, May, 1935), pp. 290-305; Pfiffner, *op. cit.*, pp. 93-94.

⁴¹ Carl H. Chatters, *How Cities Collect Delinquent Taxes* (Municipal Finance Officers' Association, Chicago, 1932), p. 7.

Sending out statements promptly, together with explanations of what the taxpayer gets for his money, also aids in the attainment of this end. Newspaper, post card, and telephone reminders of due dates and penalty increase dates have proved to be quite useful. Instead of suing on large personal tax bills, it is better to urge the delinquent to pay under protest and then sue the city. These suits rarely materialize. The city competes with every business in its limits for the taxpayer's dollar; it should furnish some real competition. Legal powers may be used where necessary, but they should not be a substitute for persistence and ingenuity on the part of the collecting agency which might produce not a judgment, but funds. All in all, then, a fair and resolute procedure for collecting taxes will, over a period of time, cause the community to view payment of them as a normal civic duty.⁴²

EXPENDITURES

Municipal expenditures in the United States have increased tremendously during the last three decades. In 1904 cities spent slightly less than three hundred million dollars for all purposes. In 1944 they spent more than two and a half billions, an increase of more than 730 per cent.⁴³ This growth in local government spending took place more rapidly than the growth in population, following a somewhat regular course until the peak year of 1930. That year marked a turning point, and annual expenditures declined until a low was reached in 1933. Since then, however, city expenditures have increased somewhat, but to the present they have not yet overtaken the all-time high of 1930. Statistical reports and forecasts, however, indicate that municipal expenditures will continue to increase during the years immediately to follow.

Rising city costs may be explained in various ways. For one thing, growth in area and population contributes in a large measure to greater municipal outlay. Larger cities in this

⁴² Committee of National Municipal League, *op. cit.*, pp. 290-305; Pfiffner, *op. cit.*, p. 93.

⁴³ "Summary of City Government Finances in 1944," *City Finances: 1944*, p. 6.

country have more than doubled in size since 1904; some have actually increased eight or ten times in population. This growth brings about more than a proportional expansion in cost payments. As a city grows, it requires not only a greater number, but more diversified services. People who live in cities are no longer content with the type of functions and services in vogue in 1904. They demand—and are getting—streets with improved lighting and paving, more and better schools, more efficient and more highly paid fire and police forces. Once regarded as fads, health clinics, recreation parks, auditoriums, and golf courses are now looked upon as necessities. In addition to growth in population and the expansion of municipal functions, the change in value of the dollar must always be considered when city finance is discussed. Also, somewhat in keeping with the time is the tendency of cities to operate on a credit rather than a cash basis.

Municipal expenditures may, therefore, be classified on the basis of functions and activities. Function relates to the purpose for which the cost payment is made, and activity pertains to a specific line of work carried on to accomplish this function. For example, "Control of Communicable Diseases" and "Child Health Services" are activities carried on in connection with the function "Health and Hospitals." It is not always possible to make a definite distinction between functions and activities. Nevertheless, the account for a function indicates the sum total of accounts for activities composing that function. Frequently, reference is made to this as a classification of expenditures by activities rather than by functions and activities.⁴⁴

Two purposes in a large measure explain the need for an activity classification. First, in setting up and carrying out a budget, expenditures should be shown by departments, divisions, bureaus, or other agencies in order to place responsibility for spending. But, by and large, a budget is more

⁴⁴ Frank J. Flanagan, "Classification of Municipal Revenues and Expenditures," *Municipal Finance*, Vol. XI (May, 1939), p. 12; *A Standard Classification of Municipal Revenue and Expenditure* (The National Committee on Municipal Accounting, Municipal Finance Officers' Association, Chicago, 1939), pp. 3-4.

intelligible to the general public and may be better understood by administrators if it is also classified by activities. An activity breakdown tells what is being done and its cost. Second, although not all cities have the same number of activities, they do have similar ones. Activities performed by certain agencies vary among cities. Hence, comparisons are possible only if reports on a state- and nationwide basis show expenditures by activities irrespective of the agencies performing them.⁴⁵

An object classification of cost payments affords a further breakdown of expenditures. This designation includes not only articles purchased, such as office supplies, services obtained, and repair of equipment, but also payment of obligations and contributions between funds. A classification of this nature is useful in several ways. An analysis for each activity by object of expenditure serves as an indispensable aid in preparing budgetary estimates of expenditures. But a careful estimate of an activity's cost may be made only after a consideration of the estimated costs of services and commodities to be used. Expenditures by object are of inestimable help in determining reasons for changes in costs of activities and feasible ways of reducing those costs.⁴⁶ Thus, municipal revenues may be broken down according to their function, activity, and object.

The total general expenditures in 1944 for the 397 cities with over 25,000 population in the United States amounted to \$2,617,578,000. Municipal expenditures may be separated into five principal divisions: (1) operation and maintenance of the general government (to which the foregoing discussion on classification by function, activity, and object is applicable); (2) capital outlay; (3) aid paid to other governments; (4) debt service; and (5) contributions to trust funds and enterprises.⁴⁷

The total expenditures of all municipalities having popula-

⁴⁵ *A Standard Classification of Municipal Revenues and Expenditures*, p. 4.

⁴⁶ *Ibid.*, p. 15.

⁴⁷ These are the major categories used by the Bureau of the Census. See *City Finances: 1944*, pp. 6, 31-94.

tions greater than 25,000 for operating and maintaining general government amounted to \$1,904,844,000 during 1944.⁴⁸ This represents a slight increase over that in the previous year, an increase which can be explained by added costs of public safety, recreation, and health and hospitals due to expanded wartime populations.⁴⁹ Cost of operating schools represents the largest single item of governmental expense within this category, and is followed closely by police protection, fire protection, and public welfare.

Comparative analysis of this class of expenditures prior to the year 1942 for all cities with more than 25,000 population is not possible due to the fact that the United States Bureau of the Census statistics before that year only covered cities above 100,000 population. But in the latter group several trends should be noted. From 1930 to 1939, municipal operation and maintenance costs for general government increased due to enlarged expenditures for charities, associated relief, and welfare activities. In 1939, the peak year for the cost of general government, these expenditures in the 94 cities above 100,000 population amounted to \$2,195,742,000 or \$57.77 per capita. Subsequently, they decreased rapidly due to a reduction in amounts channeled into welfare functions and because of war-imposed operating restrictions. In 1944, these cities paid \$1,524,193,000 for the operation and maintenance of general government functions.⁵⁰

If the operation and maintenance of general government expenditures were separated into a functional classification, they would include the following: general control (administrative, legislative, and judicial), public safety, highways, sanitation, health and hospitals, public welfare, correction, schools, libraries, recreation, and miscellaneous. On the basis of amounts expended in 1944, the more important functions in this classification were public safety, schools, public welfare, general control, and health and hospitals, in the order named.⁵¹

⁴⁸ *City Finances*: 1944, p. 42.

⁴⁹ "Summary of City Government Finances in 1944," *Ibid.*, 1944, p. 1.

⁵⁰ *City Finances*: 1944, p. 32.

⁵¹ *Ibid.*, p. 42.

Capital outlay, the second classification heretofore referred to, consists of monies spent by cities for land, other properties, new construction, and improvements more or less permanent in character. Because of its nature it varies considerably from time to time, keeping in step with the tempo set by general economic conditions. During the depression years in the early 1930's, cities were forced to reduce capital costs drastically in order to operate within very economical budgets. In 1936 capital outlay expenditures were on the increase again, reaching a high point in 1940. Due to a shortage of needed materials and manpower during the war years, funds spent for this purpose decreased rapidly. For instance, in 1943 the amounts spent for capital acquisitions and improvements by the 37 cities throughout the country having populations greater than 250,000, were only 40 per cent of those expended by the same group in 1937.⁵² With the war over, cities are again starting to repair and to build.

Aid paid to other governments as a category of municipal expenditures is very small in comparison with other expenditures. In 1944, for example, the 397 cities with populations greater than 25,000 persons spent only three and a half million dollars in the form of gifts and grants to other units of government, less than two-tenths of one per cent of their total municipal expenditures.⁵³ This particular type of city expenditure warrants recognition not from the standpoint of amount but in its relation to the larger problem of intergovernmental fiscal relationships, a subject discussed in an earlier chapter.

Debt service, including repayment of borrowed capital and interest charges, always constitutes an important element in the expenditure pattern of cities. Since their inception, cities have found it necessary to supplement current revenues and taxes with long- and short-term debt obligations, and as a result, debt charges have had to be met from time to time. During the depression years cities borrowed heavily, with the

⁵² "City Capital Outlay from 1937 through 1943," *City Finances*: 1943, Vol. 2, Topical Reports (April, 1946), pp. 1-2.

⁵³ *City Finances*: 1944, p. 6.

result that interest costs ran high. In 1935 interest charges paid by cities began to decline and reached a low mark in the year 1939, subsequent to which they have tended to climb again. In 1944, cities over 25,000 population expended \$320,181,000 for debt retirement and \$146,976,000 for interest on municipal debt, making a combined debt service cost of \$467,157,000, or 17.2 per cent of total city expenditures.⁵⁴

The final class of municipal expenditures, namely, contributions to trust funds and enterprises, is composed of contributions made by city governments to the operation and maintenance of enterprises and to trust funds of various types. The former covers all amounts paid from general government revenues to the various utilities or other proprietary municipal services, taxes, and other general revenues which are credited to the various enterprises, and debt service and capital outlay costs of the enterprises which are met from general government rather than enterprise funds. The latter includes any tax monies or general revenues paid by the city to trust funds, such as retirement or insurance funds which are used to finance contingent needs, or to funds left with the city through individual grant or donation and for which the city acts as trustee. These amounts constitute no little expenditure for cities, as shown by the fact that in 1944 all cities above 25,000 in population contributed \$164,681,000 to various trust funds and municipal utility enterprises — 6 per cent of their total expenditures for that year.⁵⁵

No consideration of municipal expenditures would be complete without some mention of the role played therein by city utility services. Because of their proprietary nature, the United States Bureau of the Census and other authorities separate their financial operations from those of the general urban government. Enterprises normally included in Census Bureau financial operations are water utilities, electric systems, transit companies, gas utilities, port facilities, airports, ferries, railroads, toll tunnels, toll bridges, radio stations, and others. For the year 1944, cities throughout the country with more

⁵⁴ *Ibid.*, pp. 6, 74.

⁵⁵ *Ibid.*, p. 6.

than 25,000 inhabitants reported operating expenditures of these enterprises in the amount of \$399,250,000 which was \$303,423,000 less than operating income received during the same period.⁵⁶

In addition to the preceding discussion, it is of interest to note the relative importance of local government costs as compared to those of other levels. Generally speaking, the expenditures of units of local government in this country have decreased in proportion to those of the state and Federal governments. In 1927, for example, local governments incurred 56.4 per cent of all governmental expenditures made in the United States. By 1935 this figure had been reduced to 36.5 per cent, and in 1944 only 4.5 per cent of all publicly expended monies were paid out by local units. Over the same period state expenditures remained fairly stable until the war years, after which they, too, declined rapidly. Federal government costs took a trend exactly opposite to that of the local units of government.⁵⁷

Finally, it is to be remembered that municipal governments do not have complete control over their expenditures. The state constitution and statutes may sometimes, at least, partially remove such control from their hands. It is not unusual for state law to prescribe the compensation for particular local officers such as teachers, firemen, and policemen. As has been noted in Chapters 3 and 4 of this volume, local finance is not entirely a local matter.

⁵⁶ *City Finances*: 1944, p. 97.

⁵⁷ *Facts and Figures on Government Finance*, 1946-1947, p. 17.

Borrowing and Indebtedness



BORROWING and indebtedness bear a definite relationship. Debt arises because of borrowing; on the other hand, borrowing may become necessary because debt exists. But debt may occur for reasons other than borrowing. For example, the city may employ a laborer for a day's work, for which it becomes indebted. However, since borrowing and indebtedness are so interrelated, it should not be amiss to discuss them together.

• Municipal revenue far too frequently is not sufficient to defray all municipal expenditures. Consequently, such things as the acquisition of property or the construction of buildings usually must be financed from funds other than those produced by current taxes. Borrowing furnishes the source in most of these cases. All cities have the right to borrow money in accordance with their charter regulations or with general state laws, and most American cities have exercised this privilege quite freely. Frequently they have borrowed in large amounts. A gross municipal indebtedness of over eight billion dollars would seem adequate to support this generalization.¹

The debts of American cities merit all the attention now being focused upon them by students of public finance. Several factors combine to make the problem of municipal indebtedness one of foremost importance despite the fact that state and local debt comprise only about 3 per cent of the

¹ *Governmental Debt in the United States: 1945* (U. S. Department of Commerce, Bureau of the Census, Washington, D.C., February, 1946), p. 6.

total net internal debt structure.² For one thing, the debt of cities and towns constitutes an integral part of the public debt structure; and because of the nonself-liquidating character of most public debt, one generation passes on a large portion of its burden to the next. The fact that approximately 70 per cent of this debt is the result of municipal borrowing for nonrevenue-producing purposes should not be overlooked. Furthermore, because of the relative permanence of municipal corporations as compared with private, their responsibility for the general welfare, together with the maintenance of all forms of public credit, gives the matter added significance. Private corporations may close their doors during economic depression, but cities are not in a position to ignore their social responsibility in such a manner.³ The major reason, however, for the extensive public concern over municipal debt has been the fact that cities are so close to the people. Defaults, refundings, issuance of bonds, and other occurrences in debt administration have grasped public attention because they are intimately related to schools, waterworks, public libraries, and police and fire protection. Citizens of the municipality are interested in what services are rendered and how efficiently they are carried out.⁴

Figures, however, are sometimes made to belie the facts. Elective officials on occasions prepare data showing that the per capita indebtedness of their city is lower than that of a neighboring city. Often such statistical information is misleading and actually proves little. The purpose for which the debt was incurred is overlooked; the value of assets built up from borrowed money or the amount of sinking funds which have been accumulated to pay off the debts at maturity are disregarded. Frequently there is an omission of the debts of local improvement districts within the city, or the city's share in the debt of some larger governmental subdivision, such as a county or metropolitan district. Computing the per capita

² Computed from 1945 statistics in *The World Almanac and Book of Facts*, 1947 (The New York World Telegram, New York, 1947), p. 387.

³ A. M. Hillhouse, *Municipal Bonds* (New York, 1936), pp. 10-11.

⁴ *Ibid.*, pp. 11-12.

indebtedness of a city, then, is by no means a simple problem. As a matter of fact, a city does not borrow money on the security of so many heads of population; rather, bonds are sold on the basis of its total property valuation. Property secures the loan; thus, a city's indebtedness represents an economic lien or mortgage upon all real estate within its limits, an encumbrance upon property of the citizens. Money to pay the interest and principal of the debt must be secured by raising taxes on this property, if it cannot be had in some other way.

Proper consideration of the various factors involved in local indebtedness may currently be found in *City Finances*, which is published annually by the United States Bureau of the Census. Prior to 1942, similar reports under the title *Financial Statistics of Cities* were published. Current reports classify municipal debts under the following headings: full faith and credit debt, and nonguaranteed obligations; long- and short-term debt; gross and net debt; and debt payable from unspecified general revenue and payable from pledged specific revenue. In addition, the Bureau publishes current topical reports dealing with various phases of city indebtedness.⁵

At the end of 1944, the net long-term indebtedness of the 397 cities having 1940 populations in excess of 25,000 persons came to \$6,176,000,000. Net debt is the total funded indebtedness less sinking fund assets accumulated for its amortization. Highways represented the largest single item for which bonded indebtedness was incurred in 1944, accounting for approximately 10 per cent of the total. School debt came next, followed by that incurred for sanitation. In decreasing order of bonded indebtedness, the remaining functions were: recreation, public welfare, hospitals, and other.

Despite the fact that financial demands upon city government have become extensive, the volume of gross indebtedness of the American cities has on the whole declined since

⁵ See "City Debt in 1944," *City Finances: 1944*, Volume 2, Topical Report No. 1 (U. S. Department of Commerce, Bureau of the Census, Washington, D.C., May, 1946). Statistical material relating to municipal indebtedness as herein presented is derived from this source in conjunction with *Governmental Debt in the United States: 1945*.

the first of the depression period. In 1932 gross municipal debt reached a high point of \$9,909,000,000. Thereafter it experienced a slow decline until 1942, at which time the total debt amounted to \$9,806,000,000. During the war years from 1942 to 1945, the rate of decline increased so that by the end of 1945 outstanding city debt totaled \$8,411,000,000. This vast lowering of debt during the war had two fundamental causes. In the first place, the opportunity for cities to make capital expenditures was reduced because of material and manpower shortages occasioned by the war, so that borrowing for this purpose did not become necessary. Secondly, the general rise in national income resulting from Federal Government war expenditures not only caused city revenues to meet expenses, but in many cases allowed vast surpluses to build up which obviated any necessity for increased debt.⁶

Nearly every city is compelled to borrow in anticipation of the collection of taxes or other revenues. The reason for this may be found in the disparity between the date upon which taxes are due and the beginning of the fiscal year. Many cities start their fiscal period on January 1, and taxes customarily are payable in the spring or fall. Since cities ordinarily begin the year with very little cash on hand, they must resort to anticipatory borrowing to meet pay rolls and other bills until the authorized revenues are received. No objection can be voiced against such a procedure if the taxes, when they come in, are applied to pay off the temporary loans and not used for some other purpose. Careful control has not always been the practice in this regard, and floating debt has increased because, for one thing, loans were not limited to the amount of revenues previously authorized.⁷

Borrowing in anticipation of the sale of permanent bonds is less widely used than the type mentioned in the preceding paragraph. Temporary borrowings of this nature do have a place in a well-ordered financial system; they may be used advantageously in financing major construction and improve-

⁶ "City Debt in 1944," *City Finances*: 1944, p. 1.

⁷ A. E. Buck and others, *Municipal Finance* (New York, 1926), pp. 470-471.

ment programs. When an improvement is being made by contract, payment for the work as it progresses may result in better terms to the city. Temporary borrowings supply these funds. Upon completion of the improvement and payment of the contractor, long-term financing may then be arranged for. Furthermore, consolidation of various needed loans in a single issue of bonds is often desirable. Temporary borrowings make this possible by enabling the holding over of certain loans until the bonds can be issued. Borrowing, then, allows the municipality to anticipate its income, thus providing an even flow of expenditure where income is irregular and also expenditure for improvements without waiting for the issuance of long-term bonds.⁸

The permanent financing of public improvements encounters irregularity in expenditures and not in income. A city's needs for improvements fluctuate. One or two years may witness the installation of an entirely new water system or the erection of a new municipal building. To pay for improvements like these from tax revenues would require putting tax rates at an unheard-of level, or perhaps enacting an altogether new form of tax. Obviously this would be impossible because of the hardships imposed upon the local citizens and the political disaster falling upon those in office responsible for such a policy.

Sound finance and practical politics both seek to avoid any unnecessary and continuous changes in the tax system and extreme fluctuations in tax rates. Borrowings which will be paid back from year to year, or careful planning resulting in uniform annual expenditures, may avoid these possibilities in the case of public improvements. Definite improvement programs provide a regularization of expenditure, but even where there is this planning, expenditures for projects will go above that which is normal. If the improvements cannot be postponed, borrowing then must take place for the amount which exceeds the normal outlay. A city desirous of avoiding a bonded debt, and also a fluctuating tax rate, does well to

⁸ Buck and others, *op. cit.*, pp. 471-472.

borrow for purposes of financing necessary public improvements only when and to the extent that the costs of such improvements for a certain year, despite careful planning, are greater than those for the years immediately preceding and following it. This is known as the "tax-and-borrow" policy of financing public improvements.

As a means of freeing cities from debt entirely, some writers have advocated that permanent improvements be paid for from current tax revenue without the use of credit. This is known as the "pay-as-you-go" policy. Those who favor the policy urge that it is cheaper than the "tax-and-borrow" plan, that it discourages extravagance because every improvement means a substantial increase in the tax rate. Obviously the cost of issuing bonds and the red tape involved are both avoided. On the other hand, opponents of the "pay-as-you-go" policy contend that it prevents a uniform tax rate and retards improvements, for the taxpayers naturally disapprove of any project which requires a large immediate outlay of public funds, no matter how meritorious the purpose is. Their arguments point out the extreme difficulties encountered in changing to this plan and the high tax rates which are likely to follow.

Paying for permanent improvements by means of bond issues only constitutes another method of financing local projects. One serious objection rests in the likelihood of financial mismanagement. The students of public finance who advocate borrowing do so on the basis of a "pay-as-you-benefit" plan, believing that under no conditions should the period for which bonds are issued exceed the probable life of the improvement. The politicians who actually control municipal affairs have a different idea, however. They are likely to carry the "pay-as-you-benefit" plan a bit further and use it to evade all obligations. "Pay-as-long-a-time-after-you-benefit-as-possible" represents their theory. The years of the industrial depression saw the "pay-as-you-benefit" plan lose many of its adherents because of numerous municipal defaults and the observed danger of large-scale indebtedness.

The policy of "tax-and-borrow" appears to be a feasible manner of following a middle course between the two extremes of paying for all permanent improvements at once out of current revenues and entirely by means of bond issues. Cities recognize that they will be called upon to spend considerable sums regularly on permanent projects which recur annually. For these it is a comparatively easy matter to ascertain in advance certain minimum outlays. The actual expenditures may be much greater. The tax rate can be adjusted to care for all recurring projects, while extraordinary improvements may be financed through bond issues. This scheme combines the advantages of the "pay-as-you-go" and the "pay-as-you-benefit" plans, and avoids their defects to a large extent. Proper financial administration does not permit a city to borrow for improvements which the community cannot afford. The use of borrowed money does not alter conditions. Cities should live within their resources if they are to escape financial disaster.

When a city borrows, it assumes the obligation of repaying the principal and interest until the debt is retired. Before the bonds are sold, the fiscal policy to control redemption of the debt must be determined. If the municipality has a choice, this question of policy determines the type of bonds to be offered. Hence debt redemption policy is decisive of the kind and term of bond to be issued. The important question then arises: when should a city pay its debts?

To answer this query is not a simple task. A customary answer for a number of years has been that bonds should be issued for a term of years coinciding with the life of the improvement financed, in order that the debt may be retired by the time the value of the improvement is exhausted. This amounts to nothing more than a mere rule of thumb, because experience has proved it to be superficial, and cities loudest in claiming their observance actually do not follow it. Under this so-called rule, just what would be the term of bonds issued for relatively permanent improvements such as street-widening? What allowance for scrap value of equipment

should be made? What is the estimated "life" of medical services rendered during an epidemic and financed by borrowing? What is the "period of usefulness" of floating debt or deficits which may have to be funded? No arbitrary rule of thumb based on "life" or "period of usefulness" can adequately govern the redemption problem because of its complexity. Nevertheless, there is one rule which may be relied upon, namely: "a public debt should be paid off as rapidly as the government can do so in view of its other obligations, and taking into consideration the wealth of the community and the general economic conditions."⁹ Just how fast this will be in any community no one can definitely answer. It depends upon a number of factors which include the tax system's productivity, the fiscal needs of the municipality for other purposes, the economic condition of the community, the interest trend, the municipality's credit, the anticipated course of price fluctuations, and other debts of the city government. Where the city tax system seems to be limping along under bad conditions, the postponement of debt retirement might be highly advisable in spite of the fact that it is bad public policy to delay meeting the obligation. Where a city is using all available revenues for current expenses and there is no possibility of imposing new taxes, there is no way of setting aside funds for debt redemption. Conversely, when the community is passing through a period of expanding prosperity, rapid debt redemption is advisable.

A municipal bond is nothing more than a promise made by the municipality on its faith and credit to pay a certain sum on a certain date with a stipulated rate of interest. It may be issued either in coupon or registered form. A coupon bond is payable to the bearer and transferable by mere delivery. The owner's name is not recorded, and interest may be obtained by periodically clipping the coupons attached to the bond. Ordinarily the purchaser of a coupon bond may convert it into a registered bond upon application to the proper authorities. On the other hand, a registered bond is recorded on

⁹ Buck and others, *op. cit.*, pp. 476-477.

the city treasurer's books in the owner's name, and the interest automatically sent to the owner by check, usually twice a year. Written endorsement transfers this type of bond from one owner to another, if the endorsement is recorded on the city treasurer's books. A registered bond is safer from loss by theft or fire than a coupon bond, and hence private investors prefer it. A coupon bond is more easily negotiated, and consequently favored by banks and brokers.¹⁰

When a city decides to borrow money by issuing bonds, the first step is usually taken by the city council upon recommendation made by either the mayor or the city manager. The council passes an order authorizing the loan; frequently a two-thirds vote is required. The order usually sets forth the purpose of the borrowing, the term of the bonds, the rate of interest, the place where interest shall be payable, and provisions for liquidating the bonds as they mature. Where a ratifying vote of the people is necessary, as prescribed by the city charter or state laws, the question is placed on the ballot at a special or general election. After these requirements are satisfied, the bonds may be put up for sale. Ordinarily, laws provide that the sale must be advertised for a certain period and then made publicly to the highest bidders. Bids come from brokers and investment bankers who often purchase the entire issue. Thus public sales are rare occurrences.¹¹

Bonds may be a part of both short-term and long-term borrowing. The most common forms of short-term borrowing include: (1) short-term certificates, bonds which consist of revenue bonds, special revenue bonds, tax sale bonds, etc.; (2) notes and bank loans; (3) temporary transfers from special funds; (4) warrants in excess of available cash; and (5) unpaid bills and claims. American cities are using various types of long-term bonds, the most common of which are: (1) term bonds, (2) callable term bonds, and (3) serial bonds.¹²

In the case of term bonds, the entire issue matures at once and on a date fixed at the time the bonds are sold. Under such

¹⁰ William B. Munro, *Municipal Administration* (New York, 1934), pp. 174-175.

¹¹ *Ibid.*, p. 176.

¹² Buck and others, *op. cit.*, pp. 480-484.

conditions provision usually is made for payment out of sinking funds. For this reason they are sometimes called sinking-fund bonds. Callable term bonds are bonds which may be called in by the issuing government before the date of their maturity. During the time such bonds are callable, they may be retired a few at a time at the option of the city, much like irregular or deferred serial bonds. Those bonds which mature in installments are known as serial bonds. If the installments are approximately equal throughout the life of the issue, they are straight serial bonds. Deferred serial bonds are those which have the first installment postponed for two or more years, and irregular serials have installments of arbitrarily different amounts falling due at various times. Serial annuity bonds are those having installments so arranged that the combined yearly payment for retirement and interest is the same for each year.¹³

The redemption of municipal bonds involves the question of which is to be preferred, serial bonds or sinking-fund bonds. Those who favor the serial type argue as follows: (1) They are easier to administer than sinking-fund bonds because no investment of sinking funds is necessary; also, there is no need for worry over the adequacy of accumulations to meet obligations, or over the manner of disposing of surpluses or providing for deficits, or over the possibilities of converting the fund assets into cash at the right time, and other matters. (2) It is more difficult for careless or dishonest officials to evade legal requirements for the amortization or redemption of serial-bond debt because an evasion is at once apparent and does not require an investigation, as is true of sinking-fund bonds. (3) Serial bonds have a diversification of terms which enhances their marketability; every type of investor can find a term which suits his purposes. (4) Furthermore, when shorter time investments are preferred, serial bonds with shorter average terms than corresponding sinking-fund bonds can be marketed more easily.¹⁴

¹³ Buck and others, *op. cit.*, pp. 483-484.

¹⁴ Charles M. Kneier, *Illustrative Materials in Municipal Government and Administration* (New York, 1939), pp. 342-343.

On the other hand, many students recognize that sinking-fund bonds likewise have certain merits and could be used to advantage if financial managements are competent and know how to handle them. Those favoring this type give the following argument: (1) When the money market is not fluid and when loans carry very high rates of interest, a municipality may be able to borrow its current requirements from its sinking funds at moderate rates of interest; money borrowed on short terms and restored to the sinking fund would prevent impairing the fund's soundness. (2) Sinking funds may be used to prevent a default in times of severe business depression and decline in municipal revenue; where serial bonds are used, it may not be possible to avert default. (3) During times of high interest rates and low bond prices, a municipality may be able to buy for its sinking funds bonds bearing a higher rate of interest than prescribed under its amortization plan and probably at prices below par. (4) When long-term bonds are in demand, sinking-fund bonds are more marketable than serial bonds. (5) Also, where there is refunding, sinking-fund bonds are preferable to serial bonds because the terms of the former are more uniform.¹⁵

A municipality has no inherent power to incur indebtedness. To be exercisable, such a power must be given a city by its charter or the general laws of the state. The power is always granted, but not always without limitations. These restrictions extend not only to the procedure by which borrowing may be authorized, but also to the total amount of debt which may be incurred. Debt limits are usually expressed in terms of a percentage of the assessed valuation of all taxable property within the municipality. The percentage ranges from perhaps 1 to 40 per cent, the most common rates being from 1½ to 4 per cent, with a national average of around 2.33 per cent. The assessed valuation of property against which the limit is measured generally includes real and personal property, but sometimes only real estate.

Other methods of limiting the amount of indebtedness con-

¹⁵ *Ibid.*, pp. 343-344.

sist of charter restrictions expressed in fixed sums, limitations on total expenditures, limitations in relation to the indebtedness of other overlapping units, limitations of annual retirements, and restrictions upon the annual taxes or tax rates for debt service. The latter form of limitation is especially vicious because it undermines the city's credit and is not actually a direct limit of indebtedness. Perhaps the most important debt limit for most cities is an unofficial one, being in neither their charters nor the statutes and constitutions of their states. It is the "seven per cent law" in the banking laws of the State of New York, providing that if at any time the indebtedness of any city, or of any subdivision except a county, within its limits shall exceed 7 per cent of the city's valuation for tax purposes, its bonds, stocks, and trust-fund security investments shall cease to be an authorized investment for savings banks. Since many municipal bonds are purchased by New York state savings banks and trust funds, and by banks in states which have adopted a similar law, this provision virtually controls the market. A city going beyond the "seven per cent law" pays for it.¹⁶

Debt limits serve to prevent those who control municipal financial affairs from plunging the community into bankruptcy. This has been done despite limitations. At the same time it is not easy to devise limits which will be effective and yet flexible enough. Limits set in terms of assessed valuation have not proved very satisfactory, because a city's borrowing needs have no relation to the wealth of its citizens. Also, city authorities can increase borrowing power by raising assessments. A fixed debt-limit plan, furthermore, permits city authorities to borrow freely until the limit is reached; then they must devise a means of evading it or stop borrowing altogether. Often appeal is made to the state legislature for special favors.

The situation is not without hope, however. State administrative supervision of municipal borrowing is becoming popular. The plan has been in effect in Indiana for two decades.

¹⁶ Buck and others, *op. cit.*, pp. 508-509.

There, any ten taxpayers may protest a proposed municipal bond issue and carry the matter to the state commission which has final power to approve, reduce, or reject, but not increase. The state commission may refuse to give its consent for any reason deemed adequate — because of an illegal purpose of the loan, because the project is unnecessary, or because other projects seem more urgent. Despite the fact that such an arrangement has not proved entirely satisfactory, it has done far more good than fixed debt limits. The needs of each city can be considered under an arrangement of flexible administrative control. State policies can be changed whenever necessary to meet changing conditions.

Debt defaults have occurred on every type of municipal bond and in every section of the United States. They appear to be recurrent in nature, naturally swelling to larger proportions during depression years; thus emergency legislation is of no avail in an effort to prevent them. Permanent remedial measures to strengthen the finances of defaulting or near-insolvent municipalities have been the exception rather than the rule; states generally have muddled through the problems brought out by municipal defaults. Those states attacking the problems have done so in a piecemeal fashion, enacting statutes involving state aid, state administrative and court receivership, and refunding. One remedial measure was significant, however — the Federal Municipal Debt Adjustment Acts of 1934 and 1937 which provided for municipal debt readjustments. This marked the first time that the Federal Government had taken a hand in remedying municipal default difficulties.¹⁷

Defaults occur mainly because a proper ratio is not maintained among fixed debt charges, current operating expenses, and revenues. Debt service usually reaches its peak when a city is in the throes of a depression and is suffering from a lack

¹⁷ See Hillhouse, *op. cit.*, pp. 470-482, for discussion of municipal defaults. The Municipal Bankruptcy Act, scheduled to expire on June 30, 1946, was extended by Public Law 481 which was signed by the President on July 1, 1946. There is no time limit in the new act, which is identical with the old except for the inclusion of revenue bonds as well as general obligation bonds in its provisions.

of revenue; default results from the wide gap between income and outgo. Municipal overborrowing has come about because of the use of municipal credit to aid real estate speculation and overdevelopment. City grants to real estate and other private interests have taken the form of railroad aid, special assessments, irrigation and drainage district bonds, and other improvements.

Analysis of past and present defaults reveals the necessity for certain permanent and well-devised measures to remedy defaults when they do occur, and to check periodic recurrences of insolvency and near-insolvency. Unsound debt administrative policies and practices are revealed quite forcibly by defaults. One proposal to rehabilitate the finances of a defaulting unit is an administrative receivership under a state-local government board. Only creditors have well-defined legal remedies at present; taxpayers, citizens, and municipal employees and officials should be considered in balancing the equities by intervention of a state administrative agency. Another proposal calls for setting up satisfactory debt adjustment machinery for municipalities unable to pay, by means of co-ordinating state and Federal legislation. State legislation should supply administrative supervision over debt adjustments, and Federal laws should furnish the necessary coercive power over minority bondholders in cases where the majority agree to a settlement. Another remedy lies in the complete separation of municipal credit and real estate speculation. Loose methods in special assessment financing should be abolished, and municipal aid to real estate subdividers and speculators prohibited. A definite need exists to develop and promulgate sounder principles and practices of debt administration. All bond laws in a state could be codified, debt administration manuals prepared, schools for debt administrators conducted, and cities share with each other their debt administration experiences. Debt planning could be more frequently on a long-term basis if those engaged in formulating debt policies were selected for longer terms of office. Short-term borrowing could be largely eliminated by adequate

budgetary control and synchronization of the fiscal and tax years.

Debt limits could be more effective by making them territorial and comprehensive, applicable to the combined debt of all overlapping units of government. No one piece of property would be required to support a debt of all local governments combined above a certain percentage of assessed valuation. The debt limit could also be expressed as a ratio of net debt to an average of assessed valuation over a period of years, supplemented by other limitations. For the most part the home-rule barrier prevents adequate state administrative supervision over local debt policies. This form of supervision does not properly extend to metropolitan governments, but there could be regional debt commissions for these areas. Outside of metropolitan districts, the state-local government board could exercise direct supervision over the borrowing policies of all local units. The regional and state administrative bodies would not have the power to veto budget items, but could render advisory opinions upon proposed capital improvements, determine methods of financing, and enforce adherence to the tax-and-borrow plan.

If defaults were reported regularly, the investor public would naturally become more discriminating. This would have a definitely wholesome effect upon municipal borrowing policies. Enlarging diversification in the local revenue system would serve to minimize the effect of periodic breakdowns in the general property tax. Benefit would accrue from a standardization of tax-collection procedures and laws, so that legislative "tinkering" during times of depression would be impossible. Preventative measures outside the field of municipal government could assist in solving the default problem — for example, better planning of land utilization in urban and metropolitan areas, and control of the extremes in business cyclical swings.

Accounting, Auditing, and Reporting



ACCOUNTING

MUNICIPAL accounting embraces records, formal and informal, together with the procedures which have to do with assembling, recording, and reporting information concerning the financial operation and condition of the municipality. The purpose of a municipal accounting system, as in a private corporation, is to assemble, record, and report financial information. The taxpayers as stockholders should know where their tax dollars go and what they are accomplishing. The accounting system, to be of most value, must be able to furnish current, adequate, and correct information. Primarily the following groups are most interested in this information:

1. The administrators responsible for the operation of the government need frequent reports concerning the financial condition and operating activities of the city.
2. The councilmen base their actions concerning tax levies and appropriations on accounting data. The records show how well the financial program is carried out.
3. The bondholders have a right to know if the city is exceeding its legal debt limit and whether it is paying the contracted amount to the sinking fund. They also have use for statistical information concerning the per capita debt load, tax levy rate, and property valuation.
4. Students of public finance are interested in obtaining

information regarding municipal financial administration. By studying the results of past operations and critically comparing them with data, both past and present, from similar cities, the student is able to appraise objectively the operations of a particular city.

5. The general public, as represented by the individual citizens, pay the cost of municipal government. They are permanent partners in the business of government, and the profitableness of their investment is reflected by the city's fiscal records and reports.

Much valuable information is presented to these groups by means of daily reports through newspapers, periodic reports, financial statements, and statistical information at the end of the fiscal period. To allow preparation of the desired information, the accounting system must be well planned, free of complexities, and should follow the latest accepted accounting principles.¹

The use of funds represents one of the basic features of an effective municipal accounting system. A fund is an accounting method of assuring financial integrity. It may be defined as "a sum of money or other resources (gross or net) set aside for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations, and constituting an independent fiscal and accounting entity."²

The accounts of each fund should include assets, liabilities, reserves, and surplus, and also the accounts relating to estimated and actual revenues, appropriations, and expenditures. Each fund, as noted above, is a distinct entity. This is an important feature in fund accounting, for in each fund there should be recorded the transactions affecting it. Inter-fund transactions, or transactions between two or more funds, require entries in each fund affected. Budgetary estimates of each fund are recorded in the accounts of the several funds and give control over the management of the governmental

¹ See *Municipal Accounting Statements*, Revised Edition (National Committee on Municipal Accounting, Chicago, 1941), pp. 1-19.

² *Ibid.*, p. 1.

unit. Revenues and appropriations are entered from the budget when it is approved.

Funds are established in accordance with the requirements of constitutions, statutes, and charters, or pursuant to action by the legislative body or the chief executive.³ Their resources may be spent only as appropriations designate, and inter-fund loans made solely after special authorization. According to the National Committee on Municipal Accounting, there are eight major classes of funds, and, save for the general fund, each class may have one or more similar or related funds within the various classes. The titles of the major classes assigned by the Committee are as follows:

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| 1. General fund | 5. Bond funds |
| 2. Special revenue funds | 6. Sinking funds |
| 3. Working capital funds | 7. Trust and agency funds |
| 4. Special assessment funds | 8. Utility funds ⁴ |

General or commercial accounting differs from municipal. Commercial accounting is concerned with recording the transactions of the enterprise as a whole, and, except in a very few instances, no thought or consideration is given to funds. In municipal accounting the chief concern is the operation by funds. The double-entry system is almost universally accepted in commercial enterprises, but it is far from being the most common method of keeping municipal records. Municipal fiscal records should be kept on the double-entry basis, as it is the most complete and accurate means of reflecting governmental transactions and of assuring accountability of public monies. The accrual basis is standard practice in general accounting, but is used by only a small fraction of our cities and towns. Because business enterprise uses the amount of profit or loss as its criterion for measuring efficiency or success, it is deeply concerned with the problem of allocat-

³ Carl H. Chatters and Irving Tenner, *Municipal and Governmental Accounting* (New York, 1940), p. 31.

⁴ For an explanation of each fund, its purpose and method of operation, see *Municipal Accounting Statements*, Revised Edition, pp. 2-6, 121-149; also Lloyd Morey and Robert P. Hackett, *Fundamentals of Governmental Accounting* (New York, 1942), pp. 42-44.

ing to each fiscal period the expense properly belonging to it. It must not burden a given period with expenses applicable to some subsequent period. For this reason prepaid expense accounts (i.e., prepaid insurance, rent, etc.) are found in general accounting. This profit or loss motive is not present in city operation, where other factors serve to measure efficiency. It is an almost universally accepted principle that disbursements in cash and commitments for future disbursements are operating expenses of government in the fiscal period in which they are made. Prepaid expense accounts are, therefore, very unusual in governmental records.

In municipal accounting, the problem of valuation does not play the prominent part it does in general accounting. Fixed assets (i.e., machinery, furniture, buildings, etc.) are considered as operating costs in the fiscal period in which they are procured. These properties should be recorded as a matter of record and to insure control; but since they do not form the basis for credit ⁵ (securing loans), nor augment the cash position of a fund, and cannot be converted into cash for paying operating expenses, they should not be shown as assets or resources of the operating funds. It is, therefore, necessary that a property group be maintained for recording property cost, and that all fixed property be carried in this fund regardless of the operating fund which disbursed the cash to procure the asset.

Depreciation is a problem of general accounting in the determination of profits and losses and asset values. This problem does not concern governmental accounting, and is generally ignored except for cost accounting in public utilities and for statistical figures on operation of given types of machinery and equipment.

Cities are subject to many legal restrictions imposed by Federal and state constitutions, statutory provisions, and administrative regulations. These often affect their accounts and the financial operations. For example, the charter or

⁵ An exception is the case of a municipally owned utility where revenue mortgage bonds may be issued.

statutes often place very definite limits upon the debts which may be incurred by units of local government, or earmark certain revenues for a specific purpose. Private enterprises, although subject to regulation, enjoy a comparatively greater freedom.

Again, in commercial accounting there is the important problem of accounting for the net worth or ownership of the enterprise. In municipal accounting this problem is not so great; but it is a function of governmental accounting to determine accurately the difference (surplus or deficit) between the resources (assets) and obligations (liabilities) of each fund, and to provide information by funds regarding the amount of surplus available for further appropriations or the amount of the deficit the legislative body must remove through its revenue-raising powers.

Good accounting practices require that the municipality establish and maintain those funds which the activities of the city demand. For instance, there are cases when the working capital fund or trust and agency fund is not needed. If serial bonds are issued, there will be no need for the sinking funds. The utility fund group should include a separate fund for each public service enterprise, such as water, gas, lights, docks, and cemeteries.

General fixed assets should not be included in the general fund or any other of the classes of funds mentioned above, except public utility assets which constitute a part of the resources of the utility fund. It would seem wise that a general, fixed-asset group or fund be established. This fixed-asset fund should maintain a record of all city property except utility properties and the assets carried at cost or appraised value. If a gift has been made the city, its value may be unknown; in such a case an appraisal should be made by an expert. The offsetting balance to fixed assets is titled "Investment in Fixed Assets" and shows the amount of city monies so invested.

Depreciation of the city's property should not be taken because:

1. It is not necessary to know the depreciated or replacement values, for the assets cannot be used as a basis for municipal credit.
2. The municipality is not set up to operate at a profit; hence depreciation as a cost is not needed.
3. No fund is ordinarily set aside for asset replacement, because financing is either by bond issuance or fund purchases from current revenue.

Finally, the amount of bonded debt payable, exclusive of utility and special assessment bonds, could well be displayed in a statement independent of any fund. This assists in clarifying the whole picture.

Before passing on to another subdivision of this topic, at least a brief mention should be made regarding internal control. Some of the more important principles involved may be listed as follows:

1. Responsibility should be fixed as completely as possible.
2. Accounting and operation should be separate.
3. No one person should be in complete control of any important part of a business transaction.
4. A double-entry set of records should exist.
5. Instructions to the various employees should be clear and distinct.
6. A scientific system of selecting and training personnel is needed.
7. Working conditions for personnel should be favorable and a system of rotating personnel instituted.
8. Responsible individuals and individuals handling funds should be bonded.
9. A periodic, outside, independent audit should be made.

Documents. Accounting documents and records of account share an important position in a municipal accounting system. Documents are the evidence of the occurrence of a given transaction, and when properly prepared, serve as the accountant's source of information for systematically recording and classify-

ing the fiscal activities of the city. The information is entered daily in the journals, chronologically recording the transactions as they take place. The data in the journals are posted or transferred periodically (usually once each month, but sometimes more often) to the ledger. Thus the ledger is a means of classifying transactions according to the characteristics of the activity and of showing all transactions of one class in one account.

In municipal accounting many types of documents are used. The more important of these are:

I. Encumbrance Documents

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| 1. Requisitions | 4. Miscellaneous purchase orders |
| 2. Purchase orders | |
| 3. Emergency purchase orders | 5. Encumbrance transmittal sheet |

II. Expenditure Documents

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|----------------------------|---|
| 1. Vendor invoices | 5. Receiving report |
| 2. Pay roll vouchers | 6. Expenditure transmittal sheet |
| 3. Travel expense vouchers | 7. Vouchers covering purchase payments and warrants |
| 4. Petty cash vouchers | |

III. Revenue Documents

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|-----------------------|--|
| 1. Assessment notices | 4. Other fiscal forms — licenses, etc. |
| 2. Receipt forms | |
| 3. Receipt vouchers | 5. Transmittal sheets |

Records. Books of original entry include those in which the various transactions are formally recorded for the first time, such as the cash book or cash register. When machine book-keeping is employed, it may be that one transaction is recorded simultaneously in several records, any one of which may be regarded as the book of original entry. Memorandum books, check stubs, files of duplicate sales invoices, and so forth, where first or prior business notations may have already been made, are not books of original entry in the accepted meaning of the term unless they are also used as the mediums for direct

posting to the ledgers. The several transmittal sheets previously mentioned may be used in many instances as books of original entry. However, in the larger cities where the volume of transactions is large, they are usually used to summarize each day's transactions for entrance on the monthly summary which is posted on the ledger at the end of the month.

An accounting record containing accounts in which are recorded in detail or in summary (usually in summary) all of the transactions of the city, or organized unit, is known as the general ledger. Since municipal accounting requires records to be kept by funds, the general ledger of a city should include a complete set of accounts for each fund maintained. A set of accounts for a fund usually includes two general types: namely, proprietary and budgetary accounts. The proprietary accounts provide records of assets, liabilities, and surplus or deficit. These latter accounts reflect the net results of operations for prior periods. The budgetary accounts are those used for recording and controlling operations for the current period in accordance with the budget plan authorized by the council or legislative body. The two groups of accounts are kept together physically, but the method of handling them at the close of the period causes a distinction to be made. The budgetary accounts remain on the books for only the given fiscal period, being closed out at the end of the period, with the net results transferred to the surplus or deficit accounts of the proprietary account group. In commercial accounting the proprietary accounts are usually called "real accounts," while the budgetary accounts are labeled "nominal," "profit and loss" or "operating accounts."

Subsidiary records are used to supplement the records of the general ledger by showing a detailed record of daily transactions. Because of the volume of accounts and the number of transactions to be recorded, it is not possible or expedient to attempt to carry all accounts in the one ledger, the general ledger. The general ledger carries one account to control a class of detailed accounts, as, for instance, receipts, and the receipts ledger maintains a number of accounts for each type

and class of receipts. The use of subsidiary records speeds up the work of record keeping, and improves the efficiency and quality of work by allowing for the division of labor and the application of internal control principles. The most commonly used subsidiary ledgers are the encumbrance and expenditure ledger, the detailed expenditure-analysis ledger, and the receipts ledger.

The first of these, the encumbrance and expenditure ledger, is often maintained mechanically with bookkeeping machine equipment, and is designed to reflect the status of each appropriation account as it is affected by appropriations, allotments, credits arising from earmarked receipts, encumbrances, and expenditures. This subsidiary record serves as a medium for budgetary control, and at the same time includes the detailed data in support of the general ledger accounts covering appropriations, allotments, encumbrances, and expenditures.

The detailed expenditure-analysis ledger is a subsidiary ledger in which is recorded the detailed classification of expenditures. The control general-ledger account is known as "expenditures." The information is obtained from the voucher which was marked for expenditure classification at time of audit for payment. Payment of salary to the mayor would be classified in this manner:

- a.* Fund — general fund.
- b.* Organization unit and function — general government, executive department.
- c.* By character of expenditure — current expenses.
- d.* By object of expenditures — personal services.

Sheets of the receipts ledger are posted by fund and by receipt classification within each fund. This posting is done after the vouchers have been pre-audited and summarized on the receipt voucher transmittal sheet. The individual subsidiary-receipt ledger sheets support in detail the summary figures carried in the various general-ledger receipt control accounts.

Types of Accounts. To clarify the above discussion of the general and subsidiary ledgers, and to facilitate future descriptions and discussions, the account terms of assets, liabilities, surplus receipts, and expenditures should be defined and illustrated.

Assets are the entire property of a government, including both current and fixed assets.⁶ These include cash, taxes receivable, amounts due from other funds and from other governmental agencies, miscellaneous receivables, office furniture and fixtures, and supplies on hand. It should be pointed out in particular that assets include all properties in the possession or under the control of the city where title has passed, regardless of whether they have been paid for or not.

Liabilities include debts or other legal obligations arising out of transactions in the past which must be paid, renewed, or refunded at some future date.⁷ These embrace unpaid bills, warrants payable, interest payable, due to other funds, temporary loans, tax anticipation notes payable, tax revenue bonds, and deferred credits.

Surplus may be roughly defined as representing the excess of assets over liabilities and reserves.⁸ No term in municipal accounting and reporting is more misused than the word "surplus." The purpose of a surplus account is not simply to act as a balance between the assets and liabilities of a particular fund. Its true function is to show the equity of the fund. It is a gross misuse of the account, therefore, to use it simply as a balancing account.

To present adequately and clearly the surplus picture of each fund, surplus should be shown by the use of the following accounts:

Reserves:

- Reserve for inventory of materials and supplies
- Reserve for petty cash and change funds
- Reserve for encumbrances
- Reserve for advances to other funds

⁶ *Municipal Accounting Statements*, Revised Edition, p. 156.

⁷ *Ibid.*, p. 172.

⁸ *Ibid.*, p. 182.

Unappropriated Surplus:

Available for appropriation during the succeeding year
 Not available for appropriation during the succeeding year

Such a classification of surplus exhibits clearly the status of the surplus of the fund.

Receipts are the actual receipts of cash from all sources, unless otherwise described. Receipts are to be differentiated from revenues, which represent the amounts to be received that do not increase a liability or a reserve or decrease an asset. The actual collection of a revenue is a receipt.

Expenditures are amounts paid or incurred for all purposes, including expenses, provision for retirement of debt, and capital outlay.

AUDITING

Auditing is an examination of the subject matter of accounting in all its financial aspects, including, as far as the several classifications of accounts may be involved, the verification of assets, liabilities, receipts, disbursements, revenues, expenditures, reserves, surpluses, and their application in such detail as may be necessary under the circumstances for each individual case to permit certification of the statements rendered and of the accountability of the fiduciary parties.

Auditing is both analytical and critical, and there are several different classes of audits. Auditing of records made before the transaction is consummated and completely recorded is called pre-audit. Auditing of transactions and documents after the transaction has been consummated and recorded is called post-auditing. Auditing done by members of the accounting staff or regular employees of the city is known as internal auditing, while auditing done by outside independent accountants is known as external auditing. City employees may do either pre-auditing or post-auditing. However, unless there is a special auditing division, most of the auditing work of regular city employees is pre-auditing. The outside independent accountant, usually a certified public

accountant, does the post-auditing. There are several other types of auditing, but for our purposes the above will suffice.

Pre-auditing, being of an internal nature and done before transactions are completely consummated and recorded, may be divided into two classes: deliberate internal audit and internal audit control. Deliberate internal audit is a physical examination of the transaction documents before they are passed to the accounting department for recording. The nature of this audit depends upon the type of document being reviewed. Generally, however, the purpose of this examination is to determine that the document is regular in every form, that it contains the proper authorization, that the mathematics is accurate, that the proper account or accounts to be charged or credited are adequately designated, that the transaction is legal and within the policies of the legislative body, and that the propriety of the expenditure is correct.

Internal audit control is defined by Robert H. Montgomery in his *Auditing Theory and Practice*: "A system of 'internal check' means the arrangement of bookkeeping methods and procedures so that no part is under the absolute control of one person; and the work of each person is complementary to that of another. The extent and quality of the system will naturally vary with the size and other factors peculiar to every business. . . ." ⁹ This definition may be illustrated in a number of different ways. For example, the philosophy of American government is an outstanding illustration of internal check — the adoption of a guarantee of the separation of powers of the executive, judicial, and legislative branches of government. Another example is the policy of separating the accounting and record keeping from the function of treasurer or fiscal officer; within a given department the principle of internal control is illustrated by placing the responsibility for keeping the accounting records in the hands of one party and putting the cashier's duties under the supervision of another.

Governmental auditing concerns itself with the verification,

⁹ Robert H. Montgomery, *Auditing Theory and Practice* (New York, Sixth Edition, 1940), p. 29.

analysis, and criticism of the records of governmental units or enterprises, while commercial or general accounting is related to a similar review and analysis of the records of private business enterprises. Governmental auditing, as is true of governmental accounting, is filled with legal complexities. To make an audit of a governmental unit requires a thorough understanding of the various legal limits and guides surrounding the operation of the unit. True enough, commercial practices are affected by statutory and other legal provisions, but not to the same degree as in municipal auditing. In commercial auditing the auditor is usually concerned with only one legal entity at a time, while municipal auditing involves many funds, each of which is a legal entity.

In many instances too little importance has been placed on the qualifications and selection of the municipal auditor. The importance of the auditor's qualifications cannot be overestimated. The reasons for this slight attention are many, the most prominent, perhaps, being the still prevailing belief that any member of the general public is qualified to hold public office or undertake public work, that the average councilmen or municipal authorities selecting the auditor are generally ignorant of his qualifications and fail to appreciate the meaning of an audit and the work of an auditor, that there is an ever-present tendency among municipal authorities to select the auditor on the basis of price, and that there is infrequently a state regulatory body to promulgate standard audit procedures and requirements.

Qualifications of the auditor and scope of the audit are the primary factors to be considered in choosing the auditor. Preference should be given to the certified public accountant or to accountants whose reputation definitely establishes them as qualified. The ex-grocery-store-bookkeeper, the former county treasurer, the ex-city-secretary, the ex-bank-teller, and the generally unemployed, as well as the would-be accountant, should be ruled out of consideration. Audit contracts should not be let or given on the basis of competitive bids. Auditing is a profession and requires professional and

technical training; to limit an audit to competitive bids eliminates the best qualified professional auditor.

It is dangerous to attempt to judge the character of an audit by the use of the word. There is, however, an accepted classification of audits in broad terms. Under a first group may be listed general or special audits, and in a second, complete or incomplete audits. A general audit or special audit may be either complete or incomplete, and obviously a complete or an incomplete audit may be general or special in character. A general audit is usually thought of as covering all financial transactions of a municipality, whereas a special audit is one that is limited to some particular phase, as, for example, examination of cash, or the police pension fund. A complete audit gives the auditor full authority to examine the records and accounts of the municipality. He is then expected to render an unqualified report, except, of course, where the qualification is based on facts which are physically impossible to obtain. An incomplete audit is one that restricts and limits the scope of the auditor's authority and investigation.¹⁰

The scope of an audit obviously depends on the kind of audit agreed upon by the municipal authorities and the auditing agency. Any set of standards, rules, regulations, procedures, or requirements that may be listed here, or prepared and recommended by any association or any agency, would not permit the auditor to omit any act required by reasonable and customary care in making the kind of audit agreed upon. An audit is not a panacea for all evils of a poor accounting system or a cure-all for corrupt political administration. Both have existed in the past and both still exist. There are certain points which the municipal authorities may reasonably expect an auditor to consider in making an audit:

1. The general fiscal organization of the city, the accounting system and internal audit procedure, and the legal framework on which the city is operated.

¹⁰ For a detailed discussion of audit procedures, see *Municipal Audit Procedures*, Revised, Bulletin No. 8 (National Committee on Municipal Accounting, Chicago, 1941).

2. Receipts and revenues of each fund.
3. The expenditures of each fund, including both disbursements and encumbrances, and appropriations.
4. The assets of each fund.
5. The liabilities of each fund.
6. The funded debt of the city.
7. Sinking fund and sinking-fund reserve requirements.
8. Surplus and surplus reserves.

Regardless of the type of audit being made, it is incumbent upon the auditor to make a thorough review of the charter, statute, and council provisions affecting the administration of the city or fund he is auditing. He should thoroughly acquaint himself with the receipts and expenditures, the basis of the accounting system, the funds maintained, the liabilities and the surplus accounts, and should determine that the system of internal control is actually being practiced and is not a mere theoretical device. The auditor should report any weaknesses of the internal control and any nonconformity to the legal provisions set up to guide the administration.

REPORTING

Financial reporting is a formal presentation of financial facts or data. For the municipality, financial reports set forth information indicating the financial position of the various funds as of a given date and show the results of operation for a named period. A report may thus vary from a treasurer's daily statement of collections to the annual fiscal report containing numerous financial statements and schedules showing the financial condition and the operations of the governmental unit.

Procedural or administrative reporting differs from pure financial reporting in that the former is used for presenting a picture or a story of the activities of the government and the services rendered to the public in nonmonetary terms. Much of the information included in this type of reporting cannot be expressed in dollars and cents. Various means are being adopted by administrative officials in their attempts to vitalize

the story of the operating activities. Pictures, cartoons, charts, maps, diagrams, and sketches are becoming popular means of administrative reporting.

Financial reporting, on the other hand, is concerned with expressing in monetary terms the activities or services of the governmental units. It is perhaps the one phase of municipal reporting that has failed in its major function. This has no doubt been partly due to the lack of understanding and appreciation of financial data by the general public, as well as the inability of the average citizen to comprehend the significance of facts expressed in monetary terms. The failure of financial reporting properly to inform the general public has also been due, until recent years, to the lack of interest on the part of the trained accountant. Commercial concerns were willing and able to take the best accounting minds and to leave municipal and governmental accounting to the perils encountered at the hands of the less thoroughly trained. In recent years, however, through the medium of the Municipal Finance Officers' Association, the American Institute of Accountants' Certified Public Accountant examinations, and the National Committee on Municipal Accounting, much interest has been generated in governmental accounting, and a long step forward has been taken to standardize municipal accounting records and procedures and to vitalize the financial reports of governmental subdivisions. Much-needed work in this direction is yet to be done, and the certified public accountant and independent practitioners need to dedicate themselves to the popular presentation of financial facts and figures which they have so methodically gathered.

There are, perhaps, three general types of financial reports: internal reports, audit reports, and statistical reports. Internal reports may be classified in several different ways; but for our purposes they are classified on the basis of date or time rendered. On this basis there are daily, monthly, quarterly, and annual reports.

From an administrative and efficiency point of view, there is probably no report of importance equal to that of the current

statements and schedules. This group includes the daily and monthly reports, and perhaps the quarterly reports. It is this type of report which is made available to administrative executives within a time limit that enables those executives to take needed action without delay. Those who have studied the subject of accounting know the necessity for properly prepared and timely reports. Yet there is still a great tendency to put greatest stress on the annual report. This attitude is much like "closing the gate after the horse is out." When commercial enterprises were small and it was possible for the individual entrepreneur to keep his hands on the reins of his organization and know his employees personally, the need for current reports and statements was definitely minimized, and his interest turned to the annual report which gave him a picture of the period's operation. With the coming of big business, the separation of ownership and management, and the creation of a gulf between the employer and the employee, the businessman quickly recognized the need for an accounting system designed to keep current facts and figures before him. His interest in the annual report became secondary and its use limited to stockholder and auditor's reports. Because of the fact that most of our governmental units today are still operating on the principles and with the accounting and administrative machinery and tools used by the individual entrepreneur, too little emphasis is being given to supplying current information necessary for efficient management. What the governmental units need in most instances is a complete realignment of functions and an overhauling of their fiscal organization and accounting machinery in order to prevent the proverbial horse from getting out of bounds. In other words, the gate should be closed before the horse finds the opening for escape.

The type of current financial report and the information contained therein will obviously vary with the types of governmental units and the legal framework within which they are operating. However, in making these reports it is suggested that the following be taken into account:

1. The making of a day-to-day statement of the cash position of the various funds. This should include the day's opening balance, the receipts and expenditures of the day, and the balance at the close of the day.
2. A comparison of expenditures with appropriations (expenditures here defined to include actual cash disbursements and obligations incurred).
3. A comparison of budgetary or estimated receipts with actual receipts.
4. A monthly balance sheet of the various funds.
5. A monthly statement of all receipts and disbursements by funds.

The annual financial report is also an internal report; it is prepared by the fiscal officer to show the financial condition of the governmental unit and to summarize its financial operations for the period. It is the duty of the fiscal officer to see that the report contains the proper financial statements and that they have been arranged in proper order with as little technical detail as possible. The annual report should normally contain two groups of statements: (1) the financial statements, and (2) the statistical statements. The financial statements are usually divided into two groups, those showing the financial condition of the governmental unit, and those showing the changes in financial conditions as the result of the fiscal period's operations. The statistical statements may be divided, also, between those giving information for a particular period of time and those which give the same or similar information for a number of fiscal periods.

The external audit, as was stated above, is prepared by an outside independent auditor, usually a certified public accountant or a registered or certified municipal accountant, or by a state auditing agency. This is a post-audit and should be distinguished from pre-audit, as previously mentioned. This report should indicate the scope of the audit performed, and should contain the necessary financial statements and schedules so as to present fairly the financial conditions of the

various funds and the financial operations for the fiscal period of the governmental unit. The annual audit report may well become a part of the annual administrative report. The auditor completes his audit, checks the financial statements of the administrative report, and attaches the audit certificate. When the administrative forces are qualified to prepare financial statements and reports that may be verified, checked, and certified to by the outside auditor, the cost of the annual audit is considerably reduced.

Unless the independent auditor is specifically requested to prepare statistical statements, it is not customary for him to include a statistical section in his report. Thus the independent auditor's report usually contains two sections: the transmittal section and the financial section.

It may not be possible or expedient in preparing the financial report to include statements of the exact titles for each and every fund maintained by the city. For instance, in the working capital fund no estimates of appropriations and revenues are made; and in order to present the operations of the fund, it would be necessary to prepare a statement of receipts and disbursements. In all cases, however, it is incumbent upon the auditor to present the necessary schedules, regardless of name and title, and to give three things:

1. The financial condition of each fund as of a given date.
2. The result of the financial operations of the various funds for a given period ending as of the same date.
3. A statement or statements showing the analysis of the changes in the condition of the funds during the period audited.

The independent auditor should be given sufficient latitude in his audit agreement with the city officials to enable him to extend his audit procedures sufficiently to permit a certification of the facts contained in his report. The audit may be so limited in scope as to force the auditor, if he renders a certificate, to qualify it. A qualified statement has less value and effect than an unqualified one; and the greater the limits

placed on the auditor and the more he is forced to qualify his statement, the less good will result from his report and the greater will be the uncertainty of the check made on the accountability of the administrative officials.

Finally, the use of statistical statements or information does not end with the statements of the annual report. It is very important to have current statistical information regarding various phases of the city's operation. This part of financial management has become of sufficient importance to warrant the establishment of special statistical divisions in many municipalities. The application of statistical methods to accounting data has vitalized financial facts by giving the man in the street a picture of the work of his city and how it is financed; it has permitted the administrator to follow more closely the day-to-day operations; and it has compelled a more orderly and systematic form of reporting.

Protective Functions



WE COME now to a discussion of the major purpose departments of the city government. These are the departments and services whose operations directly touch the lives of most city dwellers in countless ways. The departments with which we have heretofore dealt are significant chiefly because they make it possible for these major purpose departments to operate more effectively. As stated in earlier chapters, however, there should be co-operation and harmony between all departments of city government.

This chapter will be given over to a discussion of those departments and agencies which primarily perform protective functions for the community. It is not to be construed, however, that these departments do not perform other functions nor that other departments do not handle work which is protective in nature. The classification employed here does imply that the main purpose of the police, fire, and health departments is the protection of the citizen's general welfare. The inspection service, or the inspection office, is also treated as a regulatory agency, created largely for protective purposes. The legal department, too, is treated; and its activities as a protective agency are pointed out. An account of the operations of these departments or agencies is one of the most interesting subjects in the study of municipal administration.

The functions performed by the police, fire, and health departments are among the oldest of those performed by city governments. Their origin lies in familiar institutions of by-

gone days. Many a reader of early American literature will recall the "night watch" of those colonial days. While the colonial "night watch" may hardly be regarded as the forerunner of the modern policeman, he does symbolize the need for organized government performance of the police function. The evolution of the volunteer fire department, dating back to the days of the bucket brigades, illustrates well the course of development of many a city service. Often they were first organized by the community on a co-operative basis, independent of the local government, but later were taken over by it. Our city health departments are of comparatively recent development, but governmental organization for the protection of public health dates back to the regulations against the plagues of the Middle Ages. The city judge, too, has been with us almost as long as there have been cities.

The path of development which led to the establishment of modern police, fire, health, and law departments is a long one. As the services performed by these departments are discussed, it is hoped that the reader will realize their importance to urban life. These departments, in terms of personnel and equipment, organization, activities, procedures, their relationship to other departments of city government as well as to other governmental units, constitute most of the subject matter of this chapter.

POLICE

The police problem is one of the most serious which faces any municipal administration. In terms of the loss of life, loss of property, and personal injuries, figures reveal the scope of the task with which the city police must cope. Every police force is compelled to face both traffic and criminal problems, and these problems are continually changing. In 1943, 850,000 people were injured in motor vehicle accidents; and the total economic costs were \$1,250,000,000, \$700,000,000 of which was estimated cost of injuries and insurance and \$550,000,000 estimated property damage. In 1940, there were 34,501 people killed in motor vehicle accidents; 39,969 in

1941; 28,309 in 1942; 23,400 in 1943; and since the end of World War II these numbers have been rapidly mounting.¹ During 1945 there were 6519 cases of murder and manslaughter reported in this country, nearly 40,000 aggravated assaults, 213,301 burglaries, and 160,277 automobile thefts. The value of property stolen during 1945 in the 286 cities of the United States with over 25,000 population was \$88,574,459 (exclusive of automobiles), and the police arrested in that year 543,852 persons.² Municipal police departments are constantly being challenged to improve their administrative methods in order that modern crime and traffic problems may be met and coped with.

In simplest terms, the duty of the police department is to meet the problems mentioned above, namely, the protection of life and property. Traditionally, the police force has been the agency responsible for the enforcement of law, and it has been designed so as to achieve this end. In the performance of these duties, the police in the past have for the most part dealt with the enforcement of laws directed against criminal activity. Today, however, with the widespread use of motor transportation, there is an increasing emphasis on traffic law enforcement. The duties assigned to the police and the services performed by them have, as might well be expected, steadily increased in number. While the making of an arrest remains the chief symbol of a policeman's activity, the work of some of the divisions of the police organization goes far beyond this original concept. A discussion of the duties of the various divisions of a modern police department will indicate to a degree the changing nature of police work.

The main tasks of a modern police department are illustrated by its major divisions, which are generally organized on the basis of function. The three basic divisions, each of which is headed by a captain responsible to the chief, are the patrol division, the investigation division, and the traffic divi-

¹ *Accident Facts* (National Safety Council, Chicago, 1944), pp. 52-53.

² *Uniform Crime Reports* (Annual Bulletin, United States Government Printing Office, Washington, D.C., 1946), pp. 81-118.

sion. Auxiliary functions are usually performed by separate bureaus of records, communication, and identification; these are sometimes integrated and placed under the direction of a superintendent who may be given a rank equal to that of a captain in the other divisions. This bureau exercises functional supervision over record and communication work. The basic division of the force is the patrol division, which, in addition to its responsibility for foot and motor patrol, performs the numerous routine assignments such as escort duty, parades, and investigation of minor complaints. The investigation or detective division is responsible for the investigation of crimes, for vice control, and usually for crime prevention activities, while the traffic division takes responsibility for accident investigation, traffic safety education, and the direction and control of traffic. Variations from this general picture of the internal organization of a police department are numerous, but most police departments would fit fairly well into a chart of this organization structure. A closer look at each of the major divisions should not be amiss at this time.

The patrol division is the backbone of the police force. From this division are usually recruited men with aptitude for accident investigation or for detective work. The patrolman is a contact man for the city government. In rapid succession he may be assigned to investigate a complaint of a citizen whose garden is being ruined by her neighbor's chickens, or called to pick up a drunk causing a disturbance, or ordered to serve as special escort to some high-ranking state, Federal, or foreign official. His most important responsibility, perhaps, is his routine duty of patrolling, for a basic theory in police work is that alert and systematic patrol will decrease crime by reducing opportunities to commit it. In application of this theory, a scientific approach to the layout of patrol beats has been developed.³ The patrol force of most cities has been increasingly motorized, although fixed post men on foot are still

³ This interesting development, too detailed for our consideration, is discussed by O. W. Wilson, *Distribution of Police Patrol Force*, Bulletin No. 74 (Public Administration Service, Chicago, 1941).

assigned to extra hazardous locations. Radio communication and two-way communication have further contributed to the effectiveness of patrol.⁴ Under these circumstances, the patrol force may well be called "the eyes and ears of the police."

The investigation or detective division is responsible for solving crimes by means of arrest. The duty of this division, however, goes beyond apprehension to securing the conviction of offenders. A high percentage of cases cleared by conviction of offenders is one of the best indexes for gauging the efficiency of the division. The recovery and return of stolen property to its rightful owners is another main function of the detective division. Specialization is the rule in most detective departments, and in the larger cities there will be found a homicide squad, a burglary detail, a pawn shop detail, and other specialized bureaus. The vice detail may be a part of this division also, or it may be set up as a larger division.

Crime prevention activities may be assigned to the detective division or organized in a separate division. The Federal Bureau of Investigation figures indicate that juvenile offenders are numerous. A majority of crimes against property, particularly burglaries and thefts, are committed by individuals under twenty-one years of age. The crime prevention division usually serves as an agency to co-ordinate the activity of various organizations directed toward a solution of this problem. Civic clubs, the public schools, and organizations like the Boy Scouts and the Y.M.C.A. are interested in the juvenile problem. The juvenile officer of the detective or crime prevention division works with these groups. The plain clothes investigator questions suspects, gathers evidence, otherwise makes a case out of the crime assigned to him, and may be considered as one of the chief representatives of the detective division.

The first objective of the traffic division is a reduction in the number and the seriousness of traffic accidents, with a consequent saving in lives, personal injuries, and property damage. A second objective is the regulation and control of traffic so as to expedite its flow. During recent years, the regulation of

⁴ *Uniform Crime Reports*, 1939, p. 181.

parking has been assigned to this division. The entire traffic problem is being attacked by the concerted effort of the traffic division and various interested citizen groups by directing attention to the three E's: enforcement, education, and engineering.⁵ Not only enforcement, but selective enforcement is one of the chief means of reducing accidents. Where such a plan is used, the police concentrate on the law violation which creates a hazard at a particular intersection during a specific hour of the day. Prerequisite to selective enforcement is careful analysis of the reports and records made after a scientific investigation of each accident. To handle these complex duties, a division known as the accident prevention bureau is often employed. The educational phase of the traffic program is frequently handled by a citizen's advisory safety council, the traffic division usually providing them with leadership for vehicle inspection, safety schools, schoolboy patrols, and similar activities. Leadership for traffic engineering is also often furnished by the police department. A police officer with aptitude for this type of work is usually assigned the position of traffic engineer. The traffic engineer is responsible for vehicle counts, diagrams of conditions at particular intersections, and other studies necessary to rational installation and effective operation of stop signs, traffic signals, pedestrian islands, and other safety devices. Authorities agree that enforcement, education, and engineering must be equally emphasized if accidents are to be prevented and loss of lives and property damage thereby decreased.

The bureau of records, communication, and identification is the chief auxiliary agency in the police department. In large cities there probably will be found a separate bureau for each. In some departments the function of record keeping is not integrated and is performed by nearly every bureau of the department. For instance, accident records may be found in the accident bureau; the police blotter, which is a chrono-

⁵ A concise explanation of these three functions is found in three publications of the National Safety Council (Chicago, 1940): *Enforcement for Traffic Safety*, *Educating the Public for Traffic Safety*, and *Engineering for Traffic Safety*.

logical account of the calls for police service, will be found at the call dispatcher's desk; fingerprint cards might be kept in the identification bureau files, while offense records might be found in the detective division files. The utilization of records, which is a characteristic of the professional approach to police administration, will probably be lacking under these conditions. The bureau of communications, where this function is separately organized, is composed of the department's radio technicians and dispatchers. The identification bureau has the duty of fingerprinting and classifying the fingerprints of individuals held by the department. Many times a day a search of the fingerprint files will be required to identify an arrested individual or to answer the request of some other law enforcement agency for a criminal's record. The practice of combining the functions of records, communication, and identification in one bureau has proved satisfactory in many cities.

From the foregoing discussion the reader cannot avoid realizing how the scope of his local police department has broadened within recent years. Police work is now in a transition stage. The emphasis has been shifting rapidly from a negative to a positive philosophy with regard to it. Prior to the days of the automobile, police contacts were almost entirely with the criminal element. It was natural that the chief qualification of a policeman was ability to deal with a hardened law violator. The first consideration in selecting men, logically enough, was physical strength. Today almost every police officer is required to give attention to the control of the general public. Thus, a service outlook is required on his part. High general intelligence is, or should be, demanded as a prerequisite to appointment. A failure to shift methods and procedures so as to bring them more in accord with an industrialized society brought the American police somewhat into disrepute during recent decades. The emergent police profession, however, is doing much to bring about the needed adjustment, with the result that law and law enforcement are now being approached from a more positive point of view.

The professional approach to police work is usually earmarked by some or all of the following practices: high standards for selection and training of men, including application of the best personnel procedures as discussed in earlier chapters of this book; administration use of reports and records; and the adoption of available facilities for scientific crime detection. In recent years, reorganization surveys by consulting agencies such as Public Administration Service or outstanding individuals in police administration have been used to modernize police practices in many of our American cities.

Progressive police departments are aware of the vital importance of proper selection and training methods, and in many cases standardized selection procedures have been developed and rationalized.⁶ The accepted battery of tests employed in making selections usually consists of a general intelligence test, a police adaptability test, a strength test, a medical examination, a personal interview, a character investigation, and perhaps a test of emotional stability. The general intelligence test is often used as a rejection test, a minimum grade on it being a prerequisite to taking the other tests. Grades on other tests are weighted in establishing the eligible list. The final stage of the selection process is the working test period or period of probation. In-service training of new recruits has been widely accepted; many departments are coming to realize that training has an important and necessary place in police administration. Special attention to selection and training methods is a result of the professional approach to police administration.

The administrative use of reports and records as a tool of police administration is becoming increasingly widespread.⁷ The importance of reports as part of the memory of the police department in identifying and returning stolen property to its rightful owners and in prosecuting cases is obvious. The

⁶ Donald Stone, *Recruitment of Policemen* (International Association of Chiefs of Police, Chicago, 1938).

⁷ *Survey of the Police Department of Greenwich, Connecticut* (Public Administration Service, Chicago, 1937), Sec. VIII, pp. 74-111, gives a comprehensive account of a police records system and its uses.

basic records used for these purposes are the reports of each complaint, the reports of arrests, and the records made of property in custody. Officers assigned to investigations are often required to make periodic follow-up reports on the progress of each case. Consolidated forms of these reports are submitted to the police chief and the city manager. An increasing number of departments are using records to analyze the accident and crime situation. Spot maps of accidents point out intersections which require more vigorous enforcement efforts. Tabulations indicate to the police chief the necessary revisions of patrol distribution for more effective coverage. Another use of records may well be the development of measurement standards for municipal police administration. Prior to the installation of a system of uniform crime reporting by the Federal Bureau of Investigation, comparisons between the few cities which compiled statistics were impossible because of differences in the definition of offenses. Returns are now made to the Federal Bureau of Investigation by 3157 cities and villages.⁸ Comparisons between cities can still be made only cautiously, however, because of the variations in the racial composition of population, economic levels, and other factors which affect crime rates. Furthermore, the number of offenses reported to the police reflects the effectiveness of the courts as well as the effectiveness of police departments. Standards for any particular department, however, can and should be developed.

The movement for scientific crime detection has affected all police departments, although the laboratory equipment necessary to utilize all the possibilities is found chiefly in larger cities. Small departments often utilize the laboratory resources of the State Department of Public Safety or of the Federal Bureau of Investigation, both of which make analyses at cost for local police departments. Chemistry, microscopy, medicine, moulage work, and psychology are some of the fields which contribute to scientific crime detection. "Modus operandi" files, giving the "trade-mark" or distinguishing meth-

⁸ *Uniform Crime Reports*, 1946, p. 75.

ods of operation of a particular criminal, are maintained by many departments. The evidence of the lie detector, as yet inadmissible in some courts, is used by many police departments as an aid in obtaining confessions.⁹ The use of these and related methods of scientific crime detection may reasonably be expected to increase in the future.

The widespread acceptance of scientific crime detection and the scientific use of selection methods and record keeping are indications of the trend toward the professionalization of police administration. The rubber hose technique, or the method of obtaining confessions by force, is almost certain to be rejected in those relatively few departments where it is still used. A body of knowledge peculiar to police work is emerging. The University of California, Oregon State College, Michigan State College, the University of Houston, and other institutions offer degrees in police work. Northwestern University and the University of Denver have courses for traffic officers. Yale University offers a degree in street research and traffic engineering. Other universities include courses in police administration in their curriculum.

The local residence requirement remains one of the chief obstacles to a career in police work. There are those who anticipate recruitment of local policemen on a statewide basis, minimum standards being established, and politics, in the sense of spoils, being removed from the selection process.¹⁰ This step is far along the road to police professionalization; as has been indicated, however, many municipal police departments are undoubtedly traveling this road.

The Federal Government, as well as our municipalities, has

⁹ The principle of the lie detector is that blood pressure of a guilty suspect will react more violently to questioning than the blood pressure of an innocent person. The lie detector charts are individuals' reactions. An interesting discussion of the legal status of the lie detector results may be found in *Lie Detection and Criminal Interrogation*, by Fred E. Inbau (The Williams and Wilkins Company, Baltimore, 1942), pp. 60-70.

¹⁰ O. W. Wilson, Professor of Police Administration at the University of California and former Chief of Police at Wichita, Kansas, made this prediction in a letter to Chief R. D. Thorp of the Austin Police Department, March 15, 1940; also see the *American Magazine*, Vol. 129 (1940), p. 72.

demonstrated a great deal of interest in local police problems within recent years. For the local police departments the Bureau of Investigation of the Department of Justice renders many services. This bureau conducts a criminal identification and fingerprint service, a police training school, publishes uniform crime reports, and directs assistance in identification work and analysis of evidence. The Bureau of Standards offers information on short-wave police radio and assistance in identification and analysis of criminal evidence. It also provides model traffic ordinances and ordinances on traffic signs, signals, and markings. The Federal Communications Commission is doing important work in the development of police radio systems. The Bureau of Mines co-operates with cities for the protection of lives and property in time of flood or catastrophe. Finally, local police training courses are now made possible by the George Deen Act, which provides Federal funds for vocational education and places their supervision under the state department of education.

LAW AND JUSTICE

The police officer's role in court procedure is important. He must co-operate with the city attorney or the member of his staff who serves as prosecutor in the city court. In most cases it is the policeman who files the suit as a complainant against the individual who violates a city ordinance. Unless the police officer presents his testimony clearly, the prosecutor will have difficulty in making a successful case. It is essential, therefore, that policemen know some of the fundamental rules of evidence. This subject is frequently emphasized in police training courses.

In all its phases the relation between the police and the courts is a particularly important one, but a clear line of demarcation should be drawn between the policeman's function of enforcement and the court's function of adjudication. The serious problem of "ticket-fixing," for instance, results in part from a failure to observe this line of demarcation. Anti-ticket-fixing ordinances usually take the form of a require-

ment that all complaints or tickets, as they are commonly called, be heard by the judge of the corporation court. The blank complaint forms issued to officers are numbered consecutively, and an audit is frequently taken of the number issued. According to many ordinances, a superior police officer is not permitted to take any adjudicative action on tickets issued by a police officer. A ticket having been issued, all judging is left to the court.

In serving as city prosecutor, the city attorney participates in the administration of justice, and to that extent the municipal law office performs a protective function. The attorney prosecutes cases filed by the police officers and other complainants before the municipal court, the jurisdiction of which is usually limited to cases involving up to about \$200. While the judge of the municipal court is not a member of the municipal law office, he is, like the city attorneys, usually appointed by the city council, even in city-manager cities. The larger cities have full-time judges. Before these municipal judges usually come traffic law violators, petty thieves, vagrants, and drunks, many of them first offenders. The impression which many an individual forms of judicial procedure all too often depends on the methods employed by these municipal judges. Citizens making complaints usually do so to a court clerk; his conduct, too, is important as a matter of public relations. As a number of crime surveys and city court studies indicate, too often the work of these courts is marked by politics, graft, a low order of competence, and a lack of consideration of justice.¹¹ Municipal courts, it should be remembered, are in reality state courts and form the lowest rung in the hierarchy of state courts.¹² From the standpoint of the number of public contacts, the office of municipal judge is one of the most important in the city government.

The law office of any city is usually one of the busiest as well as one of the most important departments, and it performs many functions which may be regarded as not protective in

¹¹ Raymond Moley, *Our Criminal Courts* (New York, 1930), p. 271.

¹² A more detailed discussion of municipal courts will be found in Chap. 28.

nature. While cities of any size usually have a full-time city attorney, smaller ones contract for a lawyer's services or employ a lawyer on retainer basis. Because the municipal attorney is responsible for advising city officials to the end that municipal operations will be within the legal limits imposed by the city charter, and by state and national constitutions and legislation, he is consulted in virtually all municipal activity of any importance. He advises not only the city council, but frequently also the chief executive and department heads, on numerous problems. City ordinances are a product of his draftsmanship, if not in some respects a reflection of his ideas. In addition to serving as the city's chief legal advisor, his activity consists primarily in the preparation of cases for trial, the most frequent of which are tort damage claims against the city, condemnation proceedings, tax suits, and constitutional tests of the city's ordinances. In small cities the assistants to the city attorney will usually be specialists in corporation court work, in tax matters, or in tort liability; in larger cities special divisions of the department are organized to perform duties in each of these specialized fields. Students in our better law schools are now being offered courses which are designed to equip them for municipal corporation work. Without a doubt, the city attorney is often one of the most influential members of the city administration.

FIRE

The original concept of the fire department's function was that of fire fighting, but today it has come to be regarded as a fire prevention agency as well. The modern fire department assumes responsibility for salvage work and is frequently called upon to provide first aid in cases of drowning, shock, and other accidents. In addition to these duties, many departments share with the police the regular duty of arson investigation.

To perform its numerous functions, the fire department must have an unusually close relationship with the other departments of the city government. Its activities must be closely co-ordinated with those of the water department, the inspec-

tion division, the agency responsible for the operation of the fire alarm system, which is usually the electric division, and the police department. The water and fire departments must solve such problems as reserve water supply and pressure in times of conflagration. The officers of the fire department should be familiar with the water distribution system, including the size of mains and the location of hydrants. In many cities a water department employee responds to large fire alarms so as to provide technical assistance in case it is needed. The inspection division also contributes its technical knowledge to the complex problem of fire protection, and by means of regulations and restrictions through building codes and other ordinances it gives an important impetus to fire prevention. From this division the fire department obtains important information regarding the relative fire resistive construction of various buildings. All this information is useful in planning in advance the method of attack on a fire in a specific area, and thus enables the fire department to some extent to fight its fires before they occur. The police department, too, renders valuable assistance in maintaining the necessary fire protection, for ordinarily it takes the responsibility of establishing safety lanes in case of fire, and officers from this department customarily respond to all alarms. The fire department, therefore, must have a harmonious working relationship with many other departments and agencies of the city administration.

The combined efforts of all of these, however, were unable to prevent a steady rise in annual property fire losses in the United States to 1926. In that year, total losses amounted to \$561,980,751, and the curve continued to go steadily downward until 1940. Since the latter date they have risen, reaching in 1945 a loss of \$450,000,000, the highest recorded since 1930.¹³

The subject of property loss by fire cannot be considered without mention of fire insurance. As a matter of fact, the municipal fire department takes its direction in large part from the activities of fire insurance companies. The National

¹³ *The Municipal Year Book*, 1946 (The International City Managers' Association, Chicago, 1946), p. 360.

Board of Fire Underwriters, which is an organization supported and controlled by the stock fire insurance companies, is interested in reducing the number and amount of fire insurance claims paid by the companies which it represents. Through the National Board of Fire Underwriters, the stock fire insurance companies are the only outside agency making periodic inspections of a municipal service. Texas is the only state in the Union which has a state fire insurance commission which supplements the work of the National Board of Fire Underwriters in grading municipalities on their fire defense facilities, although several states have fire marshals who advise with local departments regarding the improvement of their practices. The aim of the National Board of Fire Underwriters is to promote good fire protection practices, to prepare engineering standards, to furnish fire insurance statistics, and to prevent arson. The Board grades a city's fire defenses from the point of view of fire loss hazard, and the fire insurance companies who support the Board allow a reduced insurance key rate for a good grade. The deficiencies of the city are outlined in a report issued to them by the engineers of the National Board, which has headquarters in New York. Money spent on the fire protection recommendations of the report, therefore, often lowers insurance rates somewhat and results in reduced premiums for local property owners. One interesting fact is that 34 per cent of the total grade points in the grading schedule of the National Board of Fire Underwriters depends on water supply, while but 30 per cent is based upon the fire department, which indicates that the Board's experts regard water supply and fire department facilities as being almost equally important to fire protection.¹⁴ The National Board of Fire Underwriters thus furnishes a set of standards by which a city may measure the effectiveness of the administration of its department and allied fire protection agencies.

Our Federal Government, too, is taking a great interest in

¹⁴ *Standard Schedule for Grading Cities and Towns of the United States with Reference to Their Fire Defenses and Physical Conditions* (National Board of Fire Underwriters, New York, 1930), p. 4.

means whereby fire losses may be reduced. The Bureau of Standards provides local departments with manuals of fire loss prevention and specifications on fire alarm systems, as well as making tests of fire-resisting properties of materials at the request of any city. The Bureau of Mines offers consultation on fire apparatus and educational assistance on dust explosion hazards. The Bureau of Chemistry and Soils is equipped to give advice on spontaneous heating and ignition dangers and control, as well as fire and explosion hazards. The Office of Education offers aid in fire-training programs and will furnish instructors for local fire-training schools.

Fire departments are organized for the most part on the basis of area, although they are also organized functionally into fire-fighting and fire-prevention divisions. A city will usually be organized into a number of fire districts, each of which is headed by a district chief. Standards for the number and distribution of men are furnished by the National Board of Fire Underwriters according to the population of a city. For a city with a population of 100,000, the Board recommends 11 hose or engine companies and 4 ladder companies; for a city of 200,000, the recommendation is 17 hose or engine companies and 7 ladder companies. A company is the working unit of the fire department, and usually one piece of equipment is assigned to it. The Board recommends for daytime work a minimum of 3 men in each hose company, 4 in an engine company, and 5 in a ladder company. The minimum is increased in high value districts and for night work. Standards for the distribution of fire companies are based upon the type of district. The Board stipulates that an engine or hose company should be a maximum of $\frac{3}{4}$ mile from the outermost point in a mercantile or manufacturing district, $1\frac{1}{2}$ miles in a closely built residential district; and 3 miles in a scattered residential district; and a ladder company a maximum of 1, 2, and 3 miles from the outermost points in the various above-named districts.¹⁵

¹⁵ These and other interesting figures may be obtained from *Municipal Fire Administration* (Institute for Training in Municipal Administration, Chicago, 1936), Chap. 7.

In its grading schedule, the National Board of Fire Underwriters states that every department should have a chief, and further, that in case there are more than two companies, an assistant or deputy chief should be employed. A fire district with a district chief should be organized for every 8 additional companies.¹⁶ Through the efforts of organized groups of firemen seeking better working hours, the two platoon system has become standardized. Under the two platoon system, cities may follow the plan of alternate 10- and 14-hour shifts, or the plan of alternate 24-hour periods on and off duty. In either case, of course, two men must be hired for each position. It should be mentioned that the National Board of Fire Underwriters is not primarily concerned with the expense of meeting its standards; many cities, therefore, find the standards prohibitive from a financial standpoint.

A description of fire-fighting procedure will give the reader some idea of the interplay of the factors mentioned in the preceding paragraphs. The control of a fire is infinitely facilitated if attack is made in its early stages. Fire districts, therefore, should be small enough so that companies will arrive within two or three minutes after the fire has been discovered. Organization for fire fighting is semi-military in nature, and the officer of the first company to arrive at the scene is in charge. His first duty is to size up the situation and send for the help which will prove most effective. This requires a knowledge of the structural conditions of the building and a quick calculation of the needed water pressure and the amount that available mains, hydrants, hose, and pumpers will produce. The officer's attention in sequence is likely to be devoted to saving lives, protecting exposures to check the fire's spread, ventilating to locate the base of the fire, salvaging to protect property, and extinguishing the blaze. At large fires the complex problem arises of laying hose and arranging equipment properly. The technical nature of these duties requires the presence of skilled officers and trained men.

¹⁶ These and other interesting figures may be obtained from *Municipal Fire Administration* (Institute for Training in Municipal Administration, Chicago, 1936), p. 278.

The selection and training of men is a problem which every administrator must face, but the fire chief has some problems which are not so commonplace. For instance, there is the problem of idle time which arises from the fact that men must remain at the fire station for long periods between alarms. This problem may be answered to some extent by means of training. In larger departments there is usually a drill master, who is in charge of training on the familiar drill tower where actual conditions of a fire are reproduced in so far as possible. Special skill must be developed by the men in handling special tools not used on other jobs, such as the use of ladders and the laying of hose. Many spare hours may well be spent in developing these skills. The equipment problem also presents a question. Although fire department vehicles usually last from ten to fifteen years without serious depreciation, they rapidly become obsolete. Replacement costs are heavy. Much of the fireman's time between runs may well be spent in building and making minor repairs to vehicles and other equipment. Fire chiefs are rapidly becoming familiar with these possible solutions of their problems.

During recent years the fire protection problem of smaller communities has frequently reared its head. The traditional volunteer service has remained to furnish fire protection to many cities. In some localities these volunteer companies receive substantial contributions from public and private funds toward the maintenance of their organizations. Some of them pay their officers a living wage, while others pay salaries which are only nominal. There are, it has been estimated, 10,000 of these volunteer fire departments in the United States. Other methods of providing fire protection have been adopted by some small towns. Outside aid is one of these, in which the small municipality contracts with a larger city or cities for protection. Mutual aid, in which smaller cities may join together to form a fire district, is another of these methods. Few cities will refuse to make runs when requested by smaller cities, although fire department equipment ordinarily is not built to withstand rural runs.

In addition the difficult question of liability in case of accident often arises, but some of these difficulties are eliminated when small cities co-operate for fire protection. All factors considered, the answer to the small community's fire protection problem in the future seems to lie in the direction of outside or mutual aid rather than in volunteer departments.

Two additional problems which commonly occur are those of arson and false alarms. In common law arson was defined as the crime of burning someone else's dwelling; but today in most states its meaning has been expanded to include not only burning another's, but also one's own property. The extent to which arson occurs cannot be proved, but the estimate of some cities is that one-half of all fires are attended by suspicious circumstances.¹⁷ The tendency in recent years has been for fire departments to organize arson squads for the purpose of investigating suspicious fires. Such squads are usually composed of a police investigator working with a fire officer, and these officials are usually a part of the fire department organization. While the arson problem is difficult, it is not so perplexing as that of handling false alarms. Observations in a number of cities indicate that a normal ratio of malicious, as distinguished from unintentional, false alarms to the total number of alarms is about 5 per cent. The solution of this problem is probably to be found in the education of the public to the proper use of the alarm system. A systematic and regular campaign for the relief of this condition should be a part of the fire department's public relations program.

In one sense the entire fire prevention program is also a part of the city's public relations program. Fire prevention activities are being brought into balance with those of fire fighting in most departments, although they received little emphasis in this country for many years. In cities which have made advances in the fire prevention field, one will find that the restrictions and regulations designed to reduce the risk of

¹⁷ These and other interesting figures may be obtained from *Municipal Fire Administration* (Institute for Training in Municipal Administration, Chicago, 1936), p. 451.

fires are often embodied in fire prevention codes and their enforcement centralized in a fire prevention bureau. The fire prevention bureau usually is composed of experienced fire engineers and research assistants or statisticians. In addition to their inspection activities, fire prevention bureaus are often responsible for granting permits or licenses for oil burners, dry-cleaning establishments, and other extra hazardous constructions; they are also concerned with routine housekeeping inspections for rubbish, dry weeds, and other potential causes of fires; they spot "target hazards," possible points of origin of conflagrations. Completing their program, fire prevention bureaus endeavor to instill in the public, particularly through the schools, prevention attitudes and habits. During 1945 the National Fire Protection Association broke all previous records for activity and expansion; its membership passed the 10,000 mark.¹⁸ Fire prevention activity seems certain to increase in importance as time passes.

Reports, records, and research are duties which are sometimes assigned to the fire prevention division. If these duties are not so assigned, they are usually undertaken by the secretary to the fire chief. An adequate reporting system will show where fires are occurring, what is burning, and the principle cause of the fire. This data may lead the way to many improvements. From inspection reports, maps indicating the construction of various buildings and dwellings may be prepared and routes planned in advance for fire companies with various types of equipment. Plans may be drawn up for coverage by other companies of territory left unprotected when a company is out on an alarm. Studies of fire losses by type of building and occupancy provide useful information, and analyses of the type of equipment used to control fires is often helpful in guiding the department's equipment policies. Through the increased use of reports and records as administrative tools, fire department administration doubtless will become increasingly scientific.

¹⁸ *The Municipal Year Book*, 1946, pp. 360-361.

HEALTH

Some of the most notable achievements in municipal administration have been made in the field of public health, in spite of the fact that municipal health departments usually receive only a small proportion of the tax dollar. To some degree it is through the activities of these departments that the lower death rate and the increased life expectancy in the United States have been brought about. In the early days the public health officer was in part a policeman and in part a janitor. He was an individual engaged in enforcing laws designed to promote sanitary conditions, and at the same time responsible for keeping rubbish and filth from public places. But after Pasteur's work with bacteria, the "filth" theory of disease was superseded and public health work took on its modern form. Isolation, quarantine, vaccination, and immunization activities have been familiar since New York City began its work on communicable disease control around 1870. Contagious diseases, generally speaking, are today well under control. Smallpox is no longer the scourge it once was, and diphtheria for the most part has likewise been conquered. The chronic diseases, notably cancer, heart trouble, and rheumatism, today are the cause of more deaths than communicable diseases. Most communities have yet to accept responsibility for the chronic diseases, although to do so would fit into the broad purpose of public health administration.

The purpose of the public health department of any city is to protect the health of that community, and by so doing to increase human efficiency and the life span. To fulfill this purpose, public health departments have undertaken both sickness preventive and sickness treatment functions. Prevention work usually proceeds along the lines of control of communicable disease, registration of vital statistics, protection of child health, and promotion of sanitation through inspection of food, milk, water supply, and sewage. Curative work is usually limited to venereal disease clinics, laboratory analyses, public health nurse treatment for minor illnesses, and treat-

ment of tuberculous cases. The traditional attitude of the medical profession has been that prevention rather than treatment is the proper sphere for public health activities, and this attitude has tended to limit curative activities. An over-all program of public education and instruction usually accompanies all public health activities, and the entire health program is dependent upon public support and co-operation.

Some municipal health departments are headed by boards, but about an equal number are under the direction of a single officer. Where the board form of organization is used, it is generally required that one or more of the members be a physician. The executive officer of the board, if there is one, is usually a doctor, and the idea that any good doctor can qualify as a public health administrator is too prevalent. Since one-third of the cities with over 100,000 population employ only a part-time health officer, this attitude is perhaps understandable.¹⁹ Several universities, however, are now offering a degree in public health and listing in their catalogues such courses as biostatics, epidemiology, health administration, water purification, sewage disposal, clinical aspects of tuberculosis, venereal diseases, principles of nutrition, and occupational diseases. The position of the municipal health officer clearly demands technical training. At times conditions demand quick action not usually obtainable by a board. While the board form of organization is valuable in marshaling community opinion, responsibility for the administration of health department operations might well be placed in the hands of a qualified health officer who possesses administrative ability.

Public health organization and activity is influenced somewhat by Federal and state activity in the field. The underlying principle of Federal legislation is for local departments to receive aid through state health departments. Through this procedure it is possible for the Federal Government to insist on qualified local health personnel. The Social Security Act

¹⁹ Austin F. Macdonald, *American City Government and Administration* (New York, Third Edition, 1945), p. 556.

passed by the Seventy-Fourth Congress made funds available for state assistance for maternal and child health work and for crippled children. The United States Public Health Service in the Federal Security Agency compiles statistics and sanitation reports, and is active in venereal disease control and mental hygiene. Since 1938, under the leadership of Surgeon General Thomas Parran, it has made grants available to cities for the establishment of venereal disease clinics and important pioneering work has been done in this field. Many state health departments supplement Federal activity by acting in a consulting capacity for cities and by furnishing laboratory facilities. State health departments often test municipal water supplies and municipal sewage disposal plants. Public health work is in many respects clearly a matter of state and national concern, for the failure of one locality could well nullify the good work of another.

The control of communicable diseases and the registration of vital statistics are two public health activities which may be considered together. One of the chief problems of communicable disease control is the problem of getting the cases reported. Responsibility for this matter is usually placed in the hands of the Bureau of Vital Statistics of the Health Department, which also is charged with maintaining records of births and deaths. Unless cases are promptly reported, the Bureau of Communicable Disease Control will be unable to check contagion promptly. Another difficulty in this connection is the failure of doctors to report mild cases. Customary procedure to prevent an epidemic is the isolation of cases and the quarantine and immunization of exposures. Disinfection and fumigation are also familiar practices. Perhaps the most notable gains of public health work have been made in this field of control of communicable disease.

Other public health department activities include those in the field of child health, the public health nursing program, and the work of public health laboratories. For the most part, child health work is clinical in nature, and there are many cities today with prenatal as well as baby clinics. A series of

conferences and lectures on child welfare and care are often arranged. Nearly every city makes provision for medical inspection of children in schools; homes are visited by trained nurses who examine primarily for defective teeth, eyes, and ears. The public health nurse probably makes more contacts with the citizens than any other person in the public health service. Public health nurses give minor administrations of drugs and medicines. In large cities where there are public health laboratories, nurses may refer clients to them for examination of excreta, secretions, and tissues to aid in diagnosis of suspected diseases. Laboratories also analyze specimens of food and drink which may contain substances detrimental to public health. Only large cities are able to maintain their own laboratories; smaller ones must usually rely on state facilities. Through newspapers, bulletins, the radio, and other means, municipal health departments usually conduct educational programs which help to secure public acceptance of their activities.

Attempts have been made from time to time to measure the relative contribution of public health activities. While many variable factors, such as economic status, nativity, and age distribution of the population, affect mortality and morbidity rates, a long-run view of the effectiveness of municipal health practices in dealing with each disease may be obtained from a comparison of mortality and morbidity indices.²⁰ A compilation of the practices and activities, with weights assigned to them to indicate their relative importance, has been made into an appraisal form for local health work by the American Public Health Association.²¹ The following are the activities and the points obtainable out of a possible 1000 according to the latest revision of this form: infant and preschool hygiene, 170; communicable disease control, 160; school hygiene, 140; maternity hygiene, 90; syphilis and gonorrhea control, 90; tuberculosis, 90; general sanitation, 90; food and milk control,

²⁰ Clarence E. Ridley and Herbert A. Simon, "Measuring Public Health Work," *Public Management*, Vol. XIX, No. 9 (September, 1937), p. 270.

²¹ *Appraisal Form for Local Health Work* (Committee on Administrative Practice, American Public Health Association, New York, 1938).

80; vital statistics, 40; bonus for balanced program, 50. The American Public Health Association co-operates with cities interested in evaluation of their activities on the basis of this appraisal form. Municipal officials and students interested in public health work may use this form as a check list of the adequacy of the services of their particular public health department.

INSPECTION

The inspection services which the city performs are by nature protective, and many of these are performed by the departments which we have discussed in this chapter. We have mentioned the work of fire prevention bureaus which inspect premises for possible fire hazards. Many cities employ weights and measures inspectors who are usually employees of the engineering department and administer the weights and measures ordinances, attempting to insure accurate scales in stores and exact pumps in filling stations.

As has been mentioned, inspection activities were among the first performed by public health departments. In large departments these activities are integrated in a bureau of environmental sanitation, which usually includes a division of public health engineering, a division of milk control, and a division of food control.²² Public health engineering is a technical phase of the public health program concerned with such problems as increased use of community sanitary facilities, water supply, sewage disposal, garbage disposal, and insect control. The familiar work of the sanitary inspector, who inspects a wide variety of premises and areas for possible health hazards, comes under this division. The sanitary inspector is concerned with the extermination of mosquitoes, flies, rats, and other disease-carrying rodents. While to some extent he is a police officer, he must also rely on educational methods. Often this particular position is a political appointment; however, nationwide training courses, installed in many states through George Deen funds, are producing trained men. The

²² Ira E. Hiscock, editor, *Community Health Organization* (Commonwealth Fund, New York, 1939), pp. 29-30.

foregoing observations also apply to the inspectors responsible for milk and food control. It should be mentioned that milk has long been recognized as a dangerous disease carrier because of the extent to which it nourishes bacteria. In addition to the fact that tuberculosis, typhoid, septic sore throat, diphtheria, and scarlet fever are found in raw milk, there is the threat of the addition of water to make milk inspection a necessary activity. Only in the larger cities are health departments able to undertake the inspection of restaurants, hotels, and other eating places for unsanitary conditions. If unsanitary conditions are found, the usual procedure is to issue a warning and then to revoke the establishment's license. The program of environmental sanitation of local health departments doubtless will continually widen.

Activities of the inspection division are usually concentrated in securing compliance with the city's building code, a collection of ordinances designed to secure safety in the construction and maintenance of buildings. Many cities have a separate electrical code. Individuals desiring to erect a new building, or to make alterations and repairs, must obtain a permit from the building inspector. This will be issued after the applicant's plans and specifications have been checked against the requirements of the building ordinance with regard to foundation, wall materials, chimney construction, and similar items. The electric and plumbing inspectors must give their approval to the work after examining the premises. Provision for appeal to the city council from the decision of these inspectors is usually made in the ordinance.

Various Federal bureaus and agencies may be employed by the local community in furthering its inspectional activities. The Bureau of Standards offers its services in the testing of any kind of material, including tests for fire resistance. It also will give assistance in the preparation and revision of plumbing codes and will make available weights and measures regulations. The Bureau of Entomology offers consulting service for control of wood-destroying insects, and the Bureau of Labor Statistics provides information relating to safety codes.

Welfare



THE functions of local public welfare departments vary widely among cities. In addition to such activities as public assistance and social service, which traditionally are considered welfare activities, some departments perform licensing and regulatory functions. Occasionally a local welfare department may be responsible for supervising dance halls or for operating a tuberculosis sanatorium. The general relief program, however, is basic in local welfare work.

RELIEF

Relief usually consists of assistance in some form granted to a needy person or persons, and often includes medical care. However, relief is much less a problem today than it was during the thirties. The investigation and certification of applicants for work in some Federal agency, such as the Works Projects Administration, the National Youth Administration, or the Civilian Conservation Corps, which once occupied much of a local welfare department's time, no longer exists. In some instances local departments distribute food and clothing to the needy. Old age assistance, aid to the needy blind, and aid to dependent children all demand the attention and supervision of the city's relief agency. Child welfare activities also are frequently undertaken on the behalf of delinquents and potential delinquents. These are some of the essential functions of a local department of welfare.

The popular acceptance of public welfare and public assist-

ance as governmental functions has been evidenced in recent years by the ever-increasing co-operation in these functions among the various levels of government. The history of public welfare would seem to demonstrate that cities are financially unable to carry their own relief loads in times of crisis. A unity of action by all governmental levels is desirable, with the city occupying a vital position in the formulation and administration of policies. This position is substantiated, in part at least, by a historical analysis of the public relief movement.

For many decades the problem of assistance for the poor has been a critical one for cities. Rural areas have not been as hard pressed due to the existence of a greater food supply. The decline of free land, the rise of mechanized farming, and a steady growth in population have all tended to aggravate the quality and extent of urban poverty. Parallel to this condition there has been a growing public belief that social welfare is a government function. The spread of this opinion is incidental to, but in sharp contrast with, the first relief policies in this country, which were concerned primarily with the organization of local units. For decades private social agencies supplemented city governmental bodies in an attempt to raise relief money by voluntary subscription. Most of the responsibility, therefore, was remitted by the public authorities to private charitable organizations. Hundreds of these private organizations carried the greater portion of the cost of helping the poor and administering to their needs. The Community Chest today represents a distinct tendency to unify the effort of all these numerous organizations.

Slowly, city budgets have been enlarged to provide for various forms of relief. By 1931-32 many states were setting up relief administrations to assist their local governments with this problem.¹ During 1932 and 1933 the Reconstruction Finance Corporation and the Federal Emergency Relief Administration assured Federal participation to provide:

¹ "Social Security Board of the Federal Security Agency," *The Municipal Year Book*, 1940 (The International City Managers' Association, Chicago, 1940), p. 280.

(1) direct relief and (2) work relief. These Federal funds became equalization funds without any clear-cut planning, and on the whole they gave a strong stimulus to local government spending, since in most instances they were required to be matched.

Municipal relief policies have developed from assisting private relief organizations to the present use of public money as a means of lessening unemployment. Grants by the Federal Government to cities have been made in order to stimulate local planning, financing, and building. In addition, Federal lending has become a means whereby local building standards have been raised, hours of labor lessened, and wages and administrative practices improved. The present tendency is to provide specialized institutions for the contagious disease cases, the insane, and the homeless. Many others of the poor, formerly separated from their families in private relief agencies, are now being provided with public assistance at less expense and more happily in the homes of friends or relatives.

The administration of relief has given rise to such questions as: should it be direct or earned by public work; should relief clients be paid in cash; or should they be given food, clothing, or other usable materials? The answers to these questions would seem to lie in the experience and judgment of the local administrators. In general, both direct and work relief are needed and used. Also, some localities find it expedient and satisfactory to make relief payments in kind rather than in cash. Some agreement exists in regard to the above questions where public work or construction is justified, and the combination of needy workmen, adequate finance, good supervision, and satisfactory work produces public benefit. Further accord is reached when direct relief is afforded those persons who are unable to participate in work programs. The city administration, therefore, must plan for both work relief and direct relief programs, bearing in mind that each type deserves consideration.

While commenting on relief and welfare administration, a word should be said regarding case work. The term "case

work" signifies the administration of assistance or services after careful investigation has been made of the needs of a particular client. Without case work, the administration of the benefits of the local welfare department is apt to be haphazard and discriminatory. The case worker is the key person in welfare administration and should be one who is trained in interviewing. A thorough investigation of the client's background, condition, and relationships must be made before his needs can be diagnosed and a remedy prescribed. This investigation, diagnosis, and prescription is the responsibility of the case worker; not only this, but the case worker should also maintain continuous contact with the client so long as he is an applicant for or recipient of services. Much, therefore, in welfare and relief administration revolves around the case worker.

Relief programs raise certain definite problems which cities are forced to face — for instance, the rise of pressure groups who seek to use relief funds and authority for particular political reasons. Here activities are concerned with obtaining allotments, giving little consideration to justifying the claims made for assistance. And this is not all. Increased expectations of city budgets, due to relief, may cause higher assessed valuations or increased levies, or both. In localities where taxes cannot be advanced, demands upon the state and Federal Government for aid will be made in times of stress. Consequently, relief may indirectly enlarge our taxing units.

The rapid spread of public relief has lessened the activities of private organizations in the same field. Many of the established agencies which were depended upon for this work in the past have now been virtually abandoned, and cities are assuming their duties. Recent relief policies have also caused an increased interest in leisure-time problems. The Federal Government, realizing this fact, has shown interest in inaugurating programs stressing recreational improvements under local sponsorship. And finally, too, restrictive legislation by state and Federal governments may work hardships upon cities. The uncertainty caused by regarding relief as an emergency

problem only leads to failure in long-term planning and to inefficiency in administration.

No doubt our cities will continue to need financial assistance with their relief load. It would seem, however, that the application of many relief services should be local in character, although the matter of support and the formulation of policy surely are of both state and Federal concern. Future relationships in this matter are speculative, but experience indicates a need for local assistance in the formulation and administration of national and state policies.

In recent years both Federal and state interest in local welfare administration has largely taken the form of financial participation and administrative supervision. The Federal Government, through the Social Security Board, pays half of the costs of state old-age assistance plans and one-third of the costs of state plans for aid to dependent children. Usually local agencies are responsible for determining eligibility for these benefits. Case workers of local welfare departments investigate applicants for the various forms of assistance and certify those eligible to the distributing agency.² Federal and state supervision in most cases means one or more of the following: the supervising agency may reserve the right to approve local staff appointments; it may establish standards for services; it may furnish forms for reports; or it may simply require some sort of statistical reporting.

LIBRARIES AND MUSEUMS

To the city should go most of the credit for the creation of the modern public library. The earliest collections of books in this country were found in institutional libraries such as those of schools, colleges, and churches. Later the subscription library was formed in many places, an enterprise whereby personal books were located centrally for the common good of all, usually for members of a club. Although the school library found greater use and emphasized needs within the

² *Local Welfare Administration* (Institute for Training in Municipal Administration, Chicago, 1939), p. 19.

school, no attempt was made to provide similar benefits for the general public. The result was that many private libraries were opened, soon to be partially supported by taxation. Public libraries soon followed and came to be financed in whole or in part by taxation; their administration in most cases fell to the city officials.

The question then arose as to whether or not the library should be independent of the city administration. While the answer to this question is still debated by some, reason would seem to dictate that library administration is a responsibility of the people whose money is being expended. To attain this end it is necessary that a special library board of qualified, interested persons be appointed by the city administration to recommend policies and oversee in a general way the affairs of the library, this board to serve in an advisory capacity. In most cases it selects the librarian, but in some instances the appointment is made by the mayor or city manager. Care should be taken to see that the librarian and staff are chosen according to merit. Sight should not be lost of the fact that a librarianship calls for an administrator as well as a scholar, and the individual selected should be chosen with this in mind.³

Definite financial provision should be made in the municipal budget for library maintenance, taking into consideration local financial ability and public demand. Financial provision for a planned library program should be made, readers made of nonreaders, good reading stimulated, books and materials rendered available, and locating them made an easy task. Results in terms of quality and extent of public reading habits are the best measure of total progress. Best results are likely to be obtained where a professional librarian and staff are employed, where policies are stated, and appropriations known. Long-range planning is necessary and becomes a basic need for efficient library management.⁴

³ For a concise description of organization, powers, and activities of public libraries, see Carleton B. Joeckel, *The Government of the American Public Library* (Chicago, 1935), pp. 152-262.

⁴ See Beatrice S. Russell, *Public Libraries in the Life of the Nation* (Chicago, 1943).

While both state and Federal financial assistance to cities for public library support was common during the thirties, there is no instance of Federal support today. However, at this writing there is a bill before Congress to provide funds for local library service. It is to be remembered that the public library is a local institution and has local functions to perform. The growth in its services should be governed by local need and direction, although Federal or state agencies may give a stimulus.

Many of our municipal libraries today are providing such programs and services as:

1. Circulation of reading lists for the public.
2. Printed notices, talks, and planned personal contacts by staff members for the purpose of calling attention to library opportunities.
3. Service for the blind through special books and phonograph records.
4. Expansion of service through traveling units and extension libraries.

These and related practices substantiate the feeling that public libraries will continue to perform a twofold purpose: first, that of creating a public interest in education and cultural development; second, that of providing adequate facilities, books, and materials for the satisfaction of this interest.⁵

Of late the trend has been and still is toward public support of museums, as of libraries, although in the case of the former this tendency is not so pronounced. However, a survey conducted in 1942 of the fifty largest cities in this country revealed that all but St. Paul had a public museum. According to the survey, sixteen of these did not receive any funds from the city, while the others received from less than 20 per cent to 100 per cent of their funds from the municipality.⁶

⁵ For a discussion of public libraries in the postwar period, see *Post-War Planning for Public Libraries* (American Library Association, Chicago, 1943).

⁶ "Public Museums of Art in 50 Largest Cities," *Public Management*, Vol. XXIV, No. 4 (April, 1942), p. 119.

The administration of museums is seldom an integral part of city administration itself, for museums frequently occupy a somewhat hybrid position in the municipality's legal structure. Their control varies from almost complete freedom from city administration and supervision to that of complete domination by the city government. It is, therefore, most difficult to generalize with reference to their management and organization since they differ so greatly in detail. Many museums have a board of trustees which is often self-perpetuating, the board possessing the power to select an administrative officer who is generally known as curator, director, or superintendent. This form of organization no doubt developed from the fact that, in the beginning, museums had no connection with government.

Museums are becoming important agencies of informal education for the masses. Their combined function is to arouse interest and to give instruction, as in the case of the Metropolitan Museum of Art in New York City where art objects are utilized by the general public as well as students and teachers. The Milwaukee Public Museum is devoted to natural history and science. Children's museums for the purpose of motivating youth in its quest for knowledge are found in Boston and Brooklyn. Recently another type has arisen, the museum which aims to bring the scope of science, engineering, and industry to the general public, such as the Chicago Museum of Science and Industry or the New York Museum of Peaceful Arts.

Communities build and maintain public museums in the hope of improving the cultural life of their region.⁷ The character of these museums is determined by the nature and character of the particular community in which they are located, and their future development will depend to a large extent upon the attitude of and the financial ability to support furnished by these various communities. Their activities embrace

⁷ T. R. Adam, *The Museum and Popular Culture* (American Association for Adult Education, New York, 1939), p. 163; also Francis H. Taylor, *Babel's Tower* (New York, 1945), p. 31.

such functions as collection of material, promotion of research, dissemination of knowledge, and securing the support and means whereby these activities can be maintained and furthered.

HOSPITALS

A chapter treating of municipal welfare would be incomplete without some mention of the city hospital. Interest in it has gradually increased. During the period from 1925 to 1935, the number of beds in hospitals provided by governmental agencies increased 47 per cent, while the increase in beds provided by nongovernmental agencies was approximately 17 per cent.⁸ By 1945 there were 1,356,718 beds in governmental hospitals and 382,226 beds in nongovernmental hospitals.⁹ Approximately one-half of the beds maintained by governmental agencies are in hospitals for particular diseases, such as mental ailments or tuberculosis, for which governmental agencies have assumed responsibility; some of them, however, are to be found in general hospitals. Approximately 78 per cent of all hospital beds are in governmental institutions,¹⁰ although more patients are admitted to private hospitals, since the average stay of patients in governmental hospitals is much longer than in private hospitals. From the foregoing, one cannot help but realize the importance of hospital administration to the modern city.

A number of questions regarding policy arise in connection with governmental hospital administration. One of the more important is to what extent city, county, and state hospitals should confine their services to persons who are unable to pay for hospital care, or to what extent governmental hospitals should furnish services to all classes of the community. Another question is to what extent cities and other units of local government should pay for hospitalization of indigent persons in nongovernmental hospitals in communities in which there are no local governmental hospitals. Only a small minor-

⁸ *American Hospital Association Bulletin* (October, 1935), p. 1.

⁹ *Journal of the American Medical Association* (April 20, 1946), p. 1075.

¹⁰ *Idem.*

ity of our city hospitals refuse to accept pay patients, although most of their business is made up of indigents. The payments of patients meet approximately one-half of the average city hospital's expenditures, while the balance is paid from general municipal revenues. A survey in 1945-46 revealed 929 local government hospitals; of these, 62 were operated on a joint city-county basis.¹¹ Many city hospitals contract to take care of county clients either on a flat fee or a per-patient basis.

Local variations exist in the organizational setup for the administration of municipal hospitals. Most cities, however, have an advisory board of prominent citizens to help formulate policy on questions of hospital administration. The American Hospital Association, which is a national organization of hospitals interested in raising standards, has issued recommendations dealing with hospital organization. The Association recommends the appointment of an advisory board, to be known as a board of trustees. One of the important tasks of this board is the appointment of the hospital staff. The staff, headed by a chief, is composed of doctors who donate their services to the care of indigent patients. The staff appoints an administrator to be hospital superintendent. The superintendent is responsible for the business management of the hospital, including the collection of accounts, the purchase of equipment, and the selection of personnel. While the organization of most city hospitals follows the above pattern, there is much to be said for a board which is restricted to an advisory capacity, with a hospital superintendent who is appointed by and responsible to the city's chief executive.

The American Hospital Association issues a certificate of approval to hospitals which meet its minimum standards.¹² One of the Association's requirements is that physicians of the hospital be organized into a regular staff with definite meetings at which hospital affairs are discussed. The customary practice is for one local physician to be responsible for surgery, one for medicine, and one for obstetrics, and to rotate on

¹¹ *Idem.*

¹² Bulletin No. 29, American Hospital Association (New York City).

their assignments. In addition, various specialists donate their services. The Association requires approved hospitals to maintain accurate and complete medical records on each case, giving case and diagnosis history. A clinical laboratory equipped for routine blood, urine, and sputum tests must be maintained. A nursing corps under graduate nurses and an organized system of internship must be developed. Contagious disease wards must be segregated. Most city hospitals strive to meet these minimum requirements, for the American Hospital Association certificate of approval is usually desired by all local groups interested in hospital administration.

PARKS AND RECREATION

Since the turn of the century, the growth in city population has decreased the amount of city land formerly available for play purposes. Likewise, there has been a corresponding decrease in chores for the young and old and an increase in leisure time for all. This problem of recreation was considered by some city officials as early as the 1890's, and today most cities supervise or appropriate money for all or many of the following recreational facilities: public playgrounds; closed streets for playground use; interior play courts at tenement houses; roof playgrounds; recreation piers at lakes, oceans, or rivers; parks and zoos; boating and fishing; community celebrations for special holidays or occasions; public health-recreation parks; municipal programs for recreation; and many others.

Athletic activities, such as baseball, basketball, swimming, tennis, and other active games, are sponsored by nearly all recreation departments, although variations in climate lead to variations in emphasis. Dramatics, group dancing, and numerous arts and crafts are a part of many recreational programs. Community centers are often used for discussion clubs, open forums, and other activities for adults. Municipal camps, where entire families may enjoy outdoor life, have attracted interest in recent years. A complete list of these activities would occupy several pages, but the reader need not

be familiar with them all. He should be aware, however, of the emphasis which the average city is placing upon organized recreation, realizing at the same time that one of the chief functions of the recreation department is to promote these activities and to furnish leadership for their organization.

Several factors have operated to build up widespread recreational support among our cities. It is to be recalled that the lack of sufficient space and equipment has prevented and is preventing private organizations from furnishing the vast accommodations necessary to provide democratic recreation. For the most part, commercialized recreation has been unable to provide the needed mental and physical relaxation for the masses. Its offerings are too limited and the task too great. Numerous city surveys have shown a consistent need and demand for other types than those provided by these private agencies. Not only is there a need for other types, but an urgency for their regulation as well.

Increased leisure in cities seems to result in added crime, which in the end only adds to public expense. Public recreation has come to be regarded as a means of preventing numerous social ills. Viewing the problem as a whole, it has become a common objective, shared in by numerous community institutions. The municipality, therefore, provides a basis for unification of effort for schools, forums, libraries, clubs, and all other local agencies interested in public recreation.

Today there is much co-operation between the public schools and city administrations. This concerted action for recreation is helping to lessen the frequent criticism that school plants are idle at times when their facilities could be used for community activities. Co-operative work between cities and school officials has resulted in the all-summer availability of both school buildings and grounds for community play purposes and for general civic use.¹³ Compensation may come from the city budget, with the school furnishing personnel and

¹³ *Municipal Recreation Administration* (Institute for Training in Municipal Administration, Chicago, Second Edition, 1945), pp. 482-486.

their assignments. In addition, various specialists donate their services. The Association requires approved hospitals to maintain accurate and complete medical records on each case, giving case and diagnosis history. A clinical laboratory equipped for routine blood, urine, and sputum tests must be maintained. A nursing corps under graduate nurses and an organized system of internship must be developed. Contagious disease wards must be segregated. Most city hospitals strive to meet these minimum requirements, for the American Hospital Association certificate of approval is usually desired by all local groups interested in hospital administration.

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¹³ *Municipal Recreation Administration* (Institute for Training in Municipal Administration, Chicago, Second Edition, 1945), pp. 482-486.

equipment; or supervision at times may come from a co-operative joint committee, or from a special school-city board under city control.

There was once a time when city parks were regarded as show places for people to view with passive interest. Today they have become community centers, offering beauty for passive enjoyment, affording space, equipment, and opportunity for active recreational interests. The enriched offering which they provide calls for much planning for their use and location. No longer do the merits of an area depend upon its vastness, but rather its availability to the various population centers. Also, when a city plans its park areas, consideration is given in terms of needs shown. Playground facilities for both young and old are helpful to the extent that they meet the needs of the area. Larger parks may be planned with the double view in mind of providing both passive and active opportunities. Park areas placed at strategic points over a city not only serve the local community, but the adjacent areas as well.

Financing of city parks, from the purchase of sites to their annual maintenance, has now become a part of the regular municipal budget. Formerly, private donations supplied the land or money, or both, for these purposes. Today the right of eminent domain makes much of the space available for park use, and the maintenance needs are provided by bond issues or other forms of the direct tax. Fees are commonly charged for special park services such as golf, swimming, skating, boating, and fishing; also, income is often received from leased concessions for selling food or rendering special services. But in the end city governments must assume full financial responsibility, since few parks are operated without some use of public funds.

Public welfare is of both national and local concern. Thus, many factors have combined to bring about Federal interest and participation in public recreation. Some of the more important of these are:

1. The disappearance of free public land.
2. The increase of mechanical industry in agriculture and factories, and the replacement of many persons by these mechanical inventions.
3. The influx of women workers into industry during and after World Wars I and II.
4. The mounting costs of city government and the difficulty experienced by city governments in taxing intangible wealth.
5. The growth of city population from natural population increases plus influx of rural migrants, with the resultant number of unemployed and unoccupied people.
6. The inability of a given city to foresee its potential responsibilities in terms of population shifts, unemployment, and recreation in terms of all other cities.

On the whole, it would seem that Federal participation in recreation has not signified control, but rather has served to stimulate and assist cities in rendering better and more adequate services.¹⁴

The impact of the recent war was felt in the field of recreation as in every other phase of American life. The induction of large numbers into our armed services and the concentration of many of them in camps which were located in rural areas, or near small communities, placed tremendous demands upon the recreational facilities of these communities. Very similar circumstances existed in communities where large war industries were established. Wartime restrictions on time, travel, and materials all contributed to making the recreational problem a difficult one for the local community. In addition, large numbers of recreation workers, leaders, and executives were not only inducted into the armed forces, but their services sought by the USO, the American Red Cross and other wartime agencies. Consequently, most recreation agencies were forced to enlist the services of relatively

¹⁴ *Municipal Recreation Administration* (Institute for Training in Municipal Administration, Chicago, Second Edition, 1945), pp. 39-40.

untrained and inexperienced leaders and volunteers. In a number of cities near large Army and Navy posts, and in a limited number of localities with war industries, local leadership was supplemented by personnel made available through Lanham Act funds.¹⁵

Today there is much evidence of a growing nationwide interest in recreation and a demand for more and better facilities and services. More of our smaller communities are appropriating funds for recreation purposes, and more cities are developing year-round programs. The postwar period looks bright. There is much interest being demonstrated in the development of parks and recreation areas and buildings as war memorials. Undoubtedly, recreation will play a greater part in future American life than ever before.

EDUCATION

A lack of uniformity characterizes school and city relationships among the several states, as well as among the various cities of individual states. This relationship varies from complete city control over school board personnel, finance, and school plants in some cases to total separation in others. For the most part, current opinion seems to favor the view that uniformity in these relationships is neither feasible nor desirable.¹⁶ Laws and regulations under which one city may operate successfully often prove entirely unsatisfactory when practiced by another. Local traditions and conditions are factors which may not be successfully ignored.

The total picture, however, does offer much encouragement to the growing co-operation between city and school administration. For instance, a high degree of concerted action exists between the two with reference to health and recreation programs, thereby reducing cost and duplication of activities. Further examples are noted in the recent establishment of vocational training schools, nursery schools, adult education,

¹⁵ *Ibid.*, pp. 41-42.

¹⁶ William C. Reavis and Lewis H. Mahoney, "Relationships Between Public School Systems and Other Government Agencies," *Review of Educational Research* (October, 1940), pp. 305-307.

safety education, municipal university and junior college organizations, and co-operative planning boards which serve further to unify the many dual phases of city-school administration.

The consolidation and elimination of one-teacher schools reduced their total number by one-third between the years 1918 and 1936.¹⁷ This number was reduced another 13 per cent between 1936 and 1940.¹⁸ Many of these pupils have been absorbed into the city or town district schools without unusual increases in per capita expenditures. Future consolidations point toward larger organization areas for the non-city schools under county administration and less incorporation of outlying districts under city-school control.

The unit of local school administration in this country is the school district; however, in some urban areas this district may be coterminous with the boundaries of the city or town. The policy-forming body of the district is the school board or the board of education.¹⁹ This body varies in size from city to city, its members being elected or appointed, although the former method is more common. When appointed, the mayor generally serves as the appointing agency. If elected, they are most frequently selected by election at large; however, a few cities choose them by wards.

The school board selects a superintendent responsible to it. This position is the pivot around which the entire school administration revolves, the ability and character of the executive permeating the whole organization. Such an administrative organization is upheld as a model of efficiency. Of late, however, a new factor has arisen in school administration, namely, the demand on the part of teachers to participate in the initial discussion of school policies. It is said that this will bring about a closer contact between teaching personnel and the administration.

¹⁷ David T. Blose, "Advance Statistics of State School Systems," *U. S. Office of Education Reports* (Washington, D.C., 1937-38).

¹⁸ *Statistical Summary of Education, 1939-40* (Washington, D.C., 1943), p. 4.

¹⁹ O. H. Bimson, *Participation of Personnel in School Administration* (Lincoln, Nebraska, 1939); also *Review of Educational Research* (October, 1943), pp. 327-339.

Secondary school administrations are definitely concerned with two present-day movements. One is a comprehensive self-evaluation of their philosophy and procedures. The other is the extension of general high school education into the first two years of what is now the college level. Many cities have already met the latter problem by organizing junior colleges which may be supported jointly by the city and the local school district, or as a city undertaking, or by the creation of a special district of its own. The enrichment and enlargement of high school course offering is another method of extension. Various surveys by educators would seem to indicate a need for reorganization of secondary education in order to provide general culture for more people regardless of college entrance requirements.²⁰ Whether or not this is done will depend somewhat upon the response given and the co-operation offered school officials by city administrations.

Some cities have entered into the higher educational field by the creation of municipally supported universities, as is true of Akron, Brooklyn, Charleston, Cincinnati, Detroit, Houston, Kansas City, Louisville, New York City, Omaha, Toledo, Topeka, and Wichita.²¹ Here one of the prime purposes is to give professional training to a local population group, whereas the junior college movement has tended to lengthen the period of nonprofessional training.

The Federal Government, too, has demonstrated and is demonstrating an interest in education. From this source have come stimulation and aid for the teaching of agriculture, home economics, shop, public service training, and commercial subjects. During the depression years, WPA-sponsored libraries, nursery schools, and adult education, and the National Youth Administration rendered valuable assistance to both secondary and college students. Actual financial participation in many of these activities, followed by supervision, came from

²⁰ Cooperative Study of Secondary School Standards, "Evaluation of Secondary Schools," *General Report* (Washington, D.C., 1939); also *Education for All American Youth* (National Education Association, Educational Policies Commission, Washington, D.C., 1944), p. 337.

²¹ *Encyclopedia of Modern Education* (New York, 1943), p. 512.

various city governments as local sponsors or as co-sponsors with the public schools. During and after World War II, the Federal Government financed and no doubt will continue to provide funds for various educational and training programs. Thus the Federal Government, co-operating and working with our local authorities, has become an active force in public education.²² Undoubtedly this process will continue, and its effects promise to develop closer harmony among all three agencies through mutual planning of joint enterprises.

The relationships existing between the public school and the city government depend to a large degree upon the law, local tradition, and conditions. While present practices and trends lead one to believe that divergencies between the two may continue, there are obvious and wholesome inclinations toward more unification of purpose and procedures which may eliminate much duplication and waste in the future. Examples are afforded by health and recreation programs, public libraries and recreation, co-sponsorship of nursery education, and other such services.

A closer co-operation between city and school has not only proved successful in reducing cost, but has also increased efficiency in service. It may be that the city and the school will remain as separate units of local government for some time to come, but the fact remains that each may best meet its local problems by co-operation with the other.

²² "Organization and Administration of Education," *Review of Educational Research* (October, 1940), pp. 305-308; also "The Support of Education," *Review of Educational Research* (April, 1944), pp. 144-146.

Planning and Zoning



THE years just ahead promise to open a new era in urban growth and development. If our urban communities are to develop to the fullest of their potentialities during these years, it is generally recognized that they must give considerable attention to the preparation and execution of plans.¹ Some cities have been effectively carrying on community planning programs for a number of years, while others have only recently begun to plan.² Let us see why and what these cities are planning.

THE NEED FOR PLANNING

The wretched conditions of urban life during the last years of the nineteenth century gave rise to the modern movement for city planning. Early efforts were directed toward remedying tenement conditions and promoting public parks, although these programs were later broadened. City planning during the first quarter of the present century remained largely a physical concept, and in some instances this conception still prevails.

For the most part our communities, large and small, have grown without any plan. Like Topsy, they just grew. Take a look at almost any of them. The chances are that there is not

¹ For a consideration of the whole range of city planning, see H. S. Churchill, *The City Is the People* (New York, 1945).

² Seventy-three per cent of the cities of over 25,000 population have regular official planning agencies, and all over 250,000 have official planning commissions.

enough ground for the inhabitant to enjoy his home, have a nice garden, and a place to sit outside with some privacy. If he lives in a large city, there probably is no out-of-doors space for him, save the distant public park. Where do his children play, and how many streets must they cross to and from school?

More and more families are finding that living under these crowded, congested, and unhealthful conditions is too much to endure, so they move out of town and into the country. Every family that moves out takes some taxes with it, so the town loses both the people and the much needed financial support. The growth of most urban districts is similar to the growth of a tree — they both grow by adding rings. At first, shops and houses are so few that they form one solid core. Then as the business district grows, the houses are forced farther out. As the business and industrial centers expand, the old residential neighborhoods decay and often become slums, and many move again still farther from the center. As transportation facilities improve and rings are formed, the extent of the blighted areas is increased.³

One reason for so much urban decay is that people build the wrong thing in the wrong place. Most of us are alike — we try to make money by developing the property we own. Unfortunately, one mistake may start the neighborhood on its downgrade. A few people profit temporarily, but in the end everyone loses. This process is wasteful. It destroys property values and it breeds slums. Most, probably many, of these troubles could be avoided were we smart enough to plan properly for our growing and expanding cities. As it is, we are paying heavily for our lack of foresight. Is this to go on forever, or shall we do something about it?

As great urban centers develop, most of them spill over into the surrounding countryside. The old established community becomes surrounded by a multitude of mushroom municipi-

³ See Mabel L. Walker, *Urban Blight and Slums* (Cambridge, Massachusetts, 1938); National Resources Committee, *Our Cities: Their Role in the National Economy* (Washington, D.C., 1937), pp. 58-61.

palities and special districts set up to meet the immediate needs of their inhabitants for one or more services which are commonly supplied by a local government. At first there are only a few of these independent units, but they soon multiply until they lie alongside one another like cobbles in a pavement. One of the great difficulties is that all these various units of local government do not fit together, each in its proper place like sections in a jigsaw puzzle. Overlapping and duplication of function and cost are sure to result.⁴ For instance, the county, the city, and the school district may each undertake to assess property for taxation and collect taxes if each were located in a different state. Regard the situation from another angle. In addition to the fact that each unit possesses a separate governing body and administrative staff, it often performs services which are likewise rendered by a neighboring or overlapping unit; or it may buy and maintain expensive equipment which amounts to pure duplication in some instances. All this is expensive, it makes efficient administration impossible, and it creates conflicts between jurisdictions in places where there was actually no need for many of them in the beginning.

The fact is worth reflecting upon that from 1930 to 1940 the suburbs in this country gained in population about three times as fast as the central cities. That trend is likely to continue, because people do not value light and air any less as time goes on, and the technological improvement of transportation makes commuting easier year by year.⁵

What can be done? Governmental consolidation and simplification of metropolitan areas have been advocated by many experienced local administrators. This seems to be the only real solution to the problem, but the political obstacles in the way of genuine metropolitan consolidation are numer-

⁴ See Herbert A. Simon, *Fiscal Aspects of Metropolitan Consolidation* (Berkeley, California, 1943).

⁵ Perhaps the most comprehensive recent study of the metropolitan problem is that of Victor Jones, *Metropolitan Government* (Chicago, 1942); also Herbert A. Simon, "Planning for Organization and Management," *Public Management*, Vol. XXVII, No. 4 (April, 1945), p. 108.

ous. Where governmental consolidation is impossible, perhaps the next best solution is functional consolidation, although it must be admitted that functional consolidation does not go to the root of the metropolitan trouble, for it does not wholly remove the dangers of waste, assure unity of command, or abolish all unnecessary overhead. Disagreements are likely to arise as to both the quality of service and the terms on which it is rendered. Nevertheless, it would seem to be a step in the right direction, for it offers a practical and expedient method for eliminating some of the inefficiency and poor service which characterize many of our present jumbled areas. Perhaps a habit of co-operation, such as the joint operation of a hospital, fire protective service, water or sewerage system, even if conducted on an imperfect basis, will lead to true governmental consolidation later.

While, for the most part, our various units of local government in this country continue to pursue their devious courses in almost complete independence, there are a number of examples of co-operation between them. Practically without exception, the principal city and the county of each of our metropolitan areas have financed and constructed a general hospital system through a formal joint agreement. Correctional agencies which are financed jointly by the city and the county are maintained in many instances. In the field of taxation, contractual agreements which provide for the assessment of property and the collection of school taxes by county or city officials have been effected in some cases. In the case of water supply, sewage disposal, and fire and police protection, contractual agreements are very common.

When neither governmental consolidation nor contractual agreements are possible, various informal associations of the chief executive officers of the units concerned frequently prove helpful. Often, if such officials can be brought together to discuss their common problems, not only are they likely to derive benefits therefrom, but the "door is left ajar" for the entrance of more extensive methods of co-operation. As one considers methods and means for the solution of our metro-

politan problems, the words accredited to General Robert E. Lee come vividly to mind: "The march of Providence is so slow, and our desires so impatient, the work of progress is so immense, and our means of aiding it so feeble, the life of humanity is so long, and that of the individual so brief, that we often see only the ebb of the advancing wave, and are thus discouraged. It is history that teaches us to hope."

However, one thing is certain — we shall never solve our present problems or those which arise in the future without plans. On the other hand, the millennium will not be brought about with blueprints. City planning does not mean drawing pretty, futuristic pictures which could only be made to come true by tearing the city down and starting anew. Nor is dreaming planning, and by the same token planning cannot be dreaming. The better city of tomorrow will come about by evolution just as has the city of today. This does not mean that evolution may not be given a helping hand.

WHAT IS CITY PLANNING?

City planning is the science of designing communities so that they will be more convenient and more attractive places in which to live. It aims to control and guide the development of the area in such a way as to make it serve its best purpose. Hence, in its wider aspects, planning comprises the planning of local transportation facilities, including subways, streets and airports; the arrangement of new suburbs and subdivisions; the provision of motor traffic thoroughfares; the location of public buildings, parks, and playgrounds; the securing of an adequate and safe water supply; the disposal of sewage and other wastes; the control of private property by zoning; the construction of low-income homes and the encouragement of better housing conditions; the devising of an adequate and equitable system of municipal revenues; and the development of a rational civic pride within the community.⁶

⁶ There has appeared within recent years an extensive literature on the various aspects of national, state, and local planning. Among the principal works of general interest to the student of city planning are the following: *Action for Cities: A Guide for Community Planning* (Public Administration Service, Chicago,

If we are to make our cities what we wish, we must first decide what we want them to be. A sense of direction must be decided upon, a goal must be set, the people of any given community must decide what kind of community they want to live in. In other words, they must decide what they are planning for. Is their purpose to build a residential or a resort town? Do they want an industrial or a commercial community? Or what is it they desire? This fact should be decided before detailed surveys and plans are made. After the goal is set, specific studies of existing conditions should be made and programs of action developed for education, cultural development, housing, health, recreation, public safety, and public welfare. The citizen should also realize that planning should never stop; citizen interest must always be kept alive. Year by year, revaluation of all plans is necessary to keep abreast of changing conditions. All this is very easy to say but most difficult to accomplish.

Every city should prepare a complete and up-to-date master plan which will embrace the entire metropolitan urban area of the city, based upon careful analysis of data and materials, under the direction of the best available talent and skill.⁷ Three basic considerations should be the foundation of this master plan: (1) the future population of the whole metropolitan area, (2) the pattern of distribution of this urban population, and (3) the pattern of land use.

A master plan should be far more than a map of streets and buildings. It should be thought of, particularly in a large

1943); Russell Van Nest Black, *Planning for the Small American City*, Revised Edition (Chicago, 1944); Lewis Mumford, *City Development: Studies in Disintegration and Renewal* (New York, 1945); Tennessee Valley Authority, *Communities for Living* (Knoxville, 1941); Bureau of Foreign and Domestic Commerce, United States Department of Commerce, *Small Town Manual for Community Action* (Washington, D.C., 1942); Federal Housing Administration, *A Handbook on Urban Redevelopment for Cities in the United States* (Washington, D.C., 1941). A rather complete bibliography has been prepared by the American Society of Planning Officials, *Planning Bibliography* (Public Administration Service, Chicago, 1943). For an excellent general treatment of the subject, see Guy Greer, *New York City Tomorrow* (New York, 1941).

⁷ See Christian L. Larson, "Cleveland Plans on Area Basis," *National Municipal Review*, Vol. XXXIV, No. 5 (May, 1945), pp. 223-229.

community, as something like the direction of a prolonged business operation. Master planning has to do, first, with long-range policies and objectives, and second, with specific construction programs and schedules. It means thinking ahead and providing a long-term program which may be realized in stages, and with such amendments as circumstances dictate. While all the minute details may not be settled, the ultimate goal should be clear.

To have a well-designed and well-balanced city, the master plan must provide a reasonable maximum area of urbanization and a pattern of population density that will be in harmony with needs for growth, and make possible the establishment of good standards of living. After the land area has been determined, arrangement should be made for its use. There must be space for apartments and dwellings, commercial and industrial districts, and for parks, golf courses, schools, and the like. Sufficient land should be allowed for all future uses. The greatest problem will be that of preserving the proper location for each of the land uses in order that each may have its maximum development without interferences from the others. This arrangement should become the basis for the city's zoning ordinance.

After the above basic considerations have been determined, the planning program should then consider the physical facilities which are to serve the city. There will be boulevards, streets, and superhighways making connections between business, commercial, and residential districts to be considered. The city's transportation system must be analyzed and plans for air, bus, rail, and water routes taken into account. The master plan should also provide ample space for public schools, recreational needs, and public buildings. These should reflect the character, tone, and quality of the city itself.

Building a good city in most cases means rebuilding the slums and rehabilitating the blighted areas. The treatment which these areas will receive must be determined in the master plan. Housing facilities and their defects must be

analyzed, residential areas studied, the city divided into neighborhoods, and all improvements planned on a neighborhood basis. Only in this way may the blighted and slum areas of the city be eliminated.⁸

All this cannot be attained unless the city has an alert, understanding, and supporting public. During the preparation of the master plan every possible effort should be made to encourage public participation. Not only must this support be solicited during the formative period, but it must be captured and held if the plan is to be ultimately realized. No plan of any value can be superimposed upon the community — it must be a part of the community; it must grow out of the community. There must be a sincere, earnest interest in planning and a will to do the job on the part of the community. Cities should do their own planning, not have it done by another level of government. Other levels may advise and assist, but the actual work must be done by the community itself.⁹

However, all the plans and blueprints which the human mind is capable of conceiving cannot produce a good city. The mere preparation of plans solves nothing. These plans must be made a part of the city's administrative policies and practices. They must be adopted in accordance with sound legal procedure so that they will not be easily ignored or overridden. The city's planning program and its financial program must be made to parallel one another. The former cannot go far without the latter.

THE CITY ADMINISTRATION AND PLANNING

Planning is a major municipal function. This means that the city council and the mayor, or manager, should take the responsibility of initiating and exercising continuous leadership if the planning program is going to succeed. This does not mean that they should take on the technical phases of plan-

⁸ A good basic work on community planning is the volume by Lewis Mumford, *The Culture of Cities* (New York, 1938).

⁹ See W. M. Symon, "The Disappearing Boundaries," *National Municipal Review*, Vol. XXXV, No. 5 (May, 1946), pp. 224-227.

ning, but it does mean that they must breathe the breath of life into planning by giving general direction, encouragement, financial support and approval, and finally by putting the plans into action.¹⁰

Experience seems to dictate that an official planning board or commission can often do a better job than an unofficial body. An official planning agency established under law and restricted to a small membership, with its legal powers defined, is advisable. Suppose a city wishes to set up an official planning board: what should be the qualifications for membership? Any planning program needs the leadership of the men and women in the community who enjoy the confidence of their fellow citizens. Individuals possessing desirable qualifications are found in all walks of life — these qualifications are not confined entirely to business and professional people. In any case a member should have enthusiasm, unselfish interest in civic problems, a broad understanding of those problems, a lot of common sense, persistence, and ability to work with others. In addition, he should possess imagination to judge probable results of proposed plans and courage to work out problems that are complex and controversial. He must be openminded in considering alternate ways and means for achieving desirable objectives. He must be one who is capable and willing to plan and replan. Community leaders representing government, business, labor, the professions, and other special interest agencies should appear on the board. Only when the city's planning agency is composed of such people can a planning program be carried out in a democratic way.

The technical phases of planning will of necessity have to be handled by technically trained and experienced personnel. The best planning agency will accomplish as little without technical and administrative help as the proverbial carpenter

¹⁰ For a good discussion of the mechanics of preparing and executing a city plan, see *Action for Cities: A Guide for Community Planning*. In addition, see Edward M. Bassett and others, *Model Laws for Planning Cities, Counties and States* (Cambridge, Massachusetts, 1935); Ledislas Segoe and Collaborators, *Local Planning Administration* (Chicago, 1941); Robert A. Walker, *The Planning Function in Urban Government* (Chicago, 1941).

without his tools. One of the first tasks will be to secure funds with which to employ technical personnel. A director of planning will be essential, for there must be someone responsible for over-all planning, mobilizing a staff, co-ordinating studies, pooling information, and keeping the work up to schedule. Every city that can afford a full-time technician should have one and keep him continuously on the job.

The specialized staff, however, must understand the aims and sense the burdens of those responsible for making decisions. The relationship between the two must be a one-way relationship. The recommendations of the technical staff must not be too far removed from the day-to-day decisions of the mayor, the city manager, and the council.¹¹

Rapid technological advances are continually being made. This means that man will be given a greater control over matter. With our technological advance will come the development of man's understanding of himself, the reasons for his behavior, and the methods of controlling it. In addition, the cataloguing and indexing of resources, the use of machines for finding and calculating, the highly developed efficiency of the camera for mapping purposes, the greater knowledge of ecological factors in economic behavior, and numerous other developments will aid the planner in better understanding his problems and developing his plans. But neither the technical planner nor the planning commission, working together or separately, will be able to do all.

Part of the planning work may be farmed out by the planning agency to good advantage, since the programs involved are usually the responsibility of separate boards, departments, and agencies, both inside and outside the city government. For example, educational planning is quite properly within the province of the school board, and public safety falls within the domain of the fire and police departments. In addition, there are problems which call for the participation of state and Federal agencies. There are times when the local planning

¹¹ Harold D. Smith, *The Management of Your Government* (New York, 1945) p. 22.

agency will need the assistance of these groups, or at least their advice on common problems.

There are many other kinds of farming out which may be done. For instance, the educational resources of the community should be tapped. In case there is a college or university within the community, the department of sociology might be used to make a study of population trends, or the department of architecture might assist with the problems of landscaping, building, and many other physical aspects. The engineering school might well be used to advantage in many ways. Professional groups in the community may be utilized, as for example, the doctors on health problems, the social workers on social service problems, and the realtors on land and tax problems. Labor, youth, and various church groups may also render many services.

Often people become used to the things around them. They overlook many of the important problems and also the possibilities by which they might be solved. A fresh view of the community as a whole is sometimes very helpful to planning. For this reason some cities avail themselves of the services of professional city planners who are employed on a consultant basis. As a matter of fact, there are only a very limited number of persons with planning training and experience. Planning problems are so varied and many are so complex and technical that even the larger cities are sometimes forced to seek advice and assistance outside their regular staff. Many valuable planning studies have been made by consultants employed expressly for that purpose, and any city has much to gain from drawing upon the experiences of such an individual. But there is danger here. Many a good plan has been permitted to collect dust. Community understanding and support must accompany these reports, and the contributions of the local citizens concerned with civic problems and activities must be utilized.

All this may sound somewhat difficult and expensive. It is true that any community which undertakes a planning program must face difficulties — that is a part of the job. But the

planning program can be adjusted to available funds and existing conditions and advantage taken of all free services possible. It is common knowledge that the costs involved in making good plans are only a fraction of the financial cost of the failure to plan.

But there are more than financial problems to be faced. The major one is whether the city will undertake a number of patching jobs to meet recurring emergencies, or launch an all-out attack that will get at the underlying causes of the city's trouble. The first method has been tried by many cities, and there are those who assert that it has not arrested the city's decay. They claim interior decay has continued and the growth of suburban developments which promise future blighted areas and overburdened transit systems have not been checked. They tell us there is need to try some real planning.

It is very true that the hands of planners in many instances have been tied by too much consideration for vested interests, existing property rights, and existing legislation. On the other hand, if too much violence is to be required of property owners and others, the plan is not likely to make much headway. In the end, the success of planning will be in a large measure determined both by the skill and courage of the planners and the degree to which the people of the community understand the problems with which they are dealing and approve the solutions proposed.

Every community should be economically efficient, a comfortable place in which to live and make a living, as well as beautiful. If this end is to be attained, some very realistic planning must be done. Our planning must deal with conditions that make a difference to people, such as homes, jobs, education, health, recreation and all the other things they care about. It is a waste of time and money to plan and attempt to carry out any other kind of program. If such a program is to become a reality, David A. Johnston says three things will be necessary: "(1) effective community leadership, (2) competent technical and administrative assistance, (3) cordial and

effective relations between everyone concerned with and interested in plan preparation and execution.”¹² We must plan our cities for people.

ZONING

City planning and zoning go hand in hand, and one cannot be treated without a consideration of the other. By “zoning” we mean the division of a city into districts or zones for the purpose of applying different regulations to the property within each district. As a matter of fact, zoning is really the first step in city planning. It removes some of the unknown features in modern municipalities and replaces them in districts in which the majority of future uses are established, in which the heights of future buildings are well known, and in which the density of population is not only known, but limited. With this information, city officials can plan the municipality as a stable entity and not the result of a haphazard guess. When a city is properly zoned, the necessary services can be more easily supplied, and may be expected to last a longer period of time than would otherwise be the case, thus saving expense to the taxpayer. In addition, zoning aids in stabilizing values, prevents the formation of slums and low value areas, and reduces migration to areas outside the city limits. In short, zoning has to do with regulating the bulk, height, location, and use of buildings, the use of land, and the density of population. It may be justified as an exercise of the police power in the interests of public welfare, health, safety, and morals.

A city has no inherent power to enact zoning rules and regulations. Consequently, before a city may proceed with a comprehensive zoning plan, the necessary power must be provided in its charter, in the state constitution, or in the statutes.¹³ By comprehensive zoning is meant the division of the city in such a way that the use of every piece of land will be restricted to

¹² David A. Johnston, “City Planning — What It Takes for a Successful Program,” *The Tennessee Planner*, Vol. IV, No. 2 (December, 1943), p. 55.

¹³ Eugene McQuillin, *The Law of Municipal Corporations* (Chicago, Second Edition, 1943), Sec. 1028.

its appropriate purpose so that it may be developed in accordance with the best interests of the public. It comprehends prohibitions against certain uses in named districts, and restrictions as to the area of lots to be built upon, size and height of structures, yard spaces, and the like. The Supreme Court of the United States, in the case of *Village of Euclid v. Ambler Realty Company*,¹⁴ upheld a comprehensive zoning ordinance.

Neither statutory provisions nor ordinances enacted thereunder are invalid because of the fact that they limit the use and depreciate the values of property. Ordinances enacted under statutes may make provisions governing nonconforming uses, and the toleration of existing uses is not a discrimination against persons owning property in the existing district.¹⁵ In such cases a property owner may show a zoning ordinance to be unreasonable, arbitrary, or discriminatory, as applied to him, but the courts will presume that the city council or commission acted within its authority in enacting such an ordinance. The burden is upon the one challenging the ordinance to show that it is unreasonable and is without relation to the police power.

Since all property is held subject to the police power, an owner's right to build is subject to the power of a city to enact a valid zoning ordinance in the future. Thus, the owner and his property are governed by such an ordinance prohibiting the issuance of a permit for a building proposed before he has asserted his right by beginning construction. The application of such an ordinance will prevent the granting of a permit to one who has sought to compel its issuance prior to enactment of the ordinance. A provision exempting from the ordinance all buildings under construction, or for which a permit has been issued at the time of its adoption, applies only to those who have legally begun work or planned and secured a permit for the construction of a building prior to the taking effect of the ordinance.¹⁶

¹⁴ 272 U. S. 365 (1926).

¹⁵ 30 *Tex. Jur.*, Municipal Corporations, sec. 79.

¹⁶ *Scott v. Champion Building Company*, 28 S. W. (2d) 178, (1930); 30 *Tex. Jur.*, Municipal Corporations, sec. 79.

The necessity for reasonable regulation as to the use of lands and buildings in congested districts is plain enough. Absence of regulation has often adversely affected property values and frequently interfered with public health, safety, and welfare. The essence of zoning is a classification of uses of land for building purposes and the use of buildings thereon. Zoning legislation merely expresses the desires and aspirations of the people who give it form and vitality.

It should be remembered that the mere word "comprehensive" is not enough to justify any type of zoning regulation, unless it is based upon a sound foundation of concrete relation to the proper exercise of the police power for the protection of the public.¹⁷ Although the courts have repeatedly held that the police power cannot be exercised for esthetic purposes, it seems that this view is gradually shifting. More and more emphasis is being laid on beauty as an element to be considered.¹⁸

Some zoning ordinances make classifications which are rather elaborate. For instance, some have designated at least six zones, namely: (1) single-family dwellings, (2) two-family dwellings, (3) multi-family dwellings, (4) commercial areas, (5) light industry, and (6) heavy industry. The rules regulating maximum height, bulk, type of construction and setback from the street are usually found in these various zones. It is obvious that such an arrangement greatly simplifies the problems of police and fire protection, as well as street construction and street lighting.

Good zoning practice recognizes that there should be some way of granting exceptions where rigid adherence to the law would result in unnecessary hardship to the property owner. Most cities provide for these situations by setting up a board of adjustments with power to grant special permits or to transfer a piece of land or building from one classification to another. In some instances the city council may retain this

¹⁷ Note (1928-1929), 7 *Tex. L. Rev.* 157.

¹⁸ Henry P. Chandler, "The Attitude of the Law Toward Beauty," 8 A.B.A.J. 470.

function itself. This is a different procedure from "spot zoning." Here the city council is asked to amend the zoning ordinance by making exceptions in favor of certain property, thus removing it from one classification in which it was originally placed and putting it in another. "Spot zoning" is not only unfair in that it grants special exemptions to certain individuals, but is destructive of the whole zoning scheme.

Once a city adopts a zoning ordinance, it is inevitably faced with the problem of the nonconforming building. A nonconforming structure is one which existed at the time the community was zoned, and with few exceptions these buildings have been permitted to remain, provided their character and use is not changed, an enlargement made, or the old structure replaced by a new one with added purposes. As a general rule, therefore, nonconforming buildings remain and are treated as exceptions, until wiped out by an act of God, condemned by the building inspector, or engulfed in the march of time.

Zoning procedure will vary somewhat, depending upon the particular locality. Certain preliminary steps, however, should be taken in the preparation of a zoning ordinance. State statutes on the subject should be consulted and information obtained from the city planning board, building inspector, and similar agencies. A zoning commission should be appointed, if one does not already exist, or if the planning commission does not serve in this capacity. Hearings should be held, maps prepared, and reports made. The final report should be made after a public hearing, so that necessary changes may be made before the final passage of the zoning ordinance. The ordinance should be prepared and drafted by an expert, or at least with the assistance of one.

The city council may provide for a board of adjustment and give it power to make minor alterations in the zoning ordinance. This body is quasi-judicial in nature, with power to hold hearings and render decisions. Appeals from its rulings may be taken to a court of law.

When an individual applies for a building permit, the building inspector first checks it against the zoning ordinance.

After this is done, the application is again reviewed to make sure that it contains no provisions contrary to the building code. If the permit is refused by the building inspector, the applicant may appeal his case to the board of adjustment if he desires an exception, or to the city council if he wishes a change in the zoning ordinance or map. The city council possesses the power to change the zoning regulations; however, it should be remembered that if the zoning ordinance is properly drawn, these changes made as the result of petitions to the council will be relatively few in number. If this fact is not kept in mind, the property owners will suffer and the end which zoning seeks to attain will be lost.

When several cities are located near one another, it becomes desirable to have zones planned on a regional basis; in other words, the zones should be mapped out with the whole area in mind and not for each municipality individually.¹⁹ In this way each community can develop its own distinctiveness, and at the same time competition among the various cities can, to a degree, be prevented. Cities, like individuals, seek to further their own ends; thus each attempts to attract business, industry, or renters by lowering zoning restrictions.

All levels of government have become interested in planning and zoning. In 1945 each state had at least one agency dealing directly with planning, and some had even more. Most of these agencies have directed their efforts toward preparation of public works programs and stimulation of industrial expansion. The Federal Government for a number of years has rendered help to state and local planning bodies. The Bureau of Standards has developed recommendations for local regulation of zoning and planning, and has published model zoning ordinances and other aids. The National Housing Agency has recently published material on land assembly for urban redevelopment and housing which emphasizes the need for comprehensive planning as a basis for successful prosecution of housing programs. The Department of Agriculture, the Bureau of Labor Statistics, and the Children's Bureau are

¹⁹ William B. Munro, *Municipal Administration* (New York, 1935), p. 246.

other Federal organizations which have aided local planning in recent years. Finally, not a few counties have begun to play prominent roles in the planning picture. Planning agencies have been active in several California counties for a number of years, and counties in other states are beginning to devote time to the problem. Included in this latter group are counties in Virginia, Florida, Ohio, Iowa, and New York.²⁰

²⁰ For a complete picture of recent trends in planning among the various levels of government, see the following: Walter H. Blucher, "Planning and Zoning Developments in 1945," *The Municipal Year Book*, 1946 (The International City Managers' Association, Chicago, 1946), pp. 251-256; "Planning and Development," *The Book of the States*, 1945-1946 (The Council of State Government, Chicago, 1945), pp. 227-244.

Physical Services



ONE of the functions of any city administration is the orderly development of the external and physical aspects of the city. Thus, we have grouped housing, streets, walks, bridges, and sanitation under the heading "Physical Services" and have treated them together. First, let us turn to a consideration of housing.

HOUSING

So much is heard of housing today that a work of this nature would be incomplete without at least a brief reference to the numerous problems involved. One of the greatest of these is that of making it possible for the mass of people to live in decent surroundings and near their families. There is also, to a very large extent, the problem of preventing other people who either do not care for decent conditions, or are unable to provide them, from maintaining conditions which are a menace to their neighbors and to the community. In a word, the problem is that of providing facilities for the highest possible housing standards within the reach of the largest portion of the people.

Housing is perhaps as old as any of our social problems, but not until recent years has it attracted much attention. Factors such as growth in urbanization and increased tenancy during the past few decades have increased the cost of private dwellings, with the result that many families have been left without proper housing facilities. Several years ago it was

estimated that about one-third of the population was housed under subnormal conditions, while about one-tenth was living under such conditions that health, morals, and family life were menaced.¹ World War II has greatly exaggerated our housing shortage problem.

Everyone has seen or read of the horrible housing conditions which exist within our American cities and of the "shanty towns" which have sprung up within or outside their boundaries. These houses are unsanitary, unsafe, and far below the common, accepted standards of decency. They are overcrowded and for the most part lacking in even the most elementary plumbing facilities. Fresh air, sunshine, and adequate heating are frequently absent, and partial roofs and ceilings all too often do not offer adequate protection from the weather.

Housing is a matter of public concern since it is so closely related to the public welfare. Poor housing is known to have a direct bearing on delinquency, dependency, and health, with a consequent effect upon the cost of maintaining city government. For instance, it may well cost a city more to administer a slum area than the area produces for the city in taxes.

Many communities have attempted to better their housing conditions by making and enforcing regulations covering the construction and use of buildings. These regulations may be formulated by state legislative bodies, city councils, or sometimes by local administrative agencies. Their administration ordinarily falls to the division of inspection in the department of public works, in case there is such a departmental division, or to the various inspectional agencies in other departments such as fire, health, or welfare. The adoption of sound building codes also affects not only the quality, but the cost of construction, and their importance should be emphasized. In case no local action is taken in this direction, there is much to be said for state-established minimum building standards with enforced observance by all municipalities.

¹ E. E. Muntz, *Urban Sociology* (New York, 1938), p. 106.

Proper planning and zoning make for better housing. Many blighted areas within old residential districts are the result of failure on the part of many city planning or zoning boards. The blight problem is surely one which should receive the consideration of the entire city administration. It will require much foresight and planning not only on the part of the local authorities, but likewise from both state and Federal agencies to solve this problem. The latter agencies can assist in furnishing financial support and providing advice and co-operation.

Congress since 1932 has taken a special interest in public housing. In that year the Emergency Relief and Reconstruction Act was passed, allowing the Reconstruction Finance Corporation to lend money to limited-dividend housing corporations created to provide housing for families with small incomes, or for the reconstruction of slum districts. Each project was to be self-supporting. The National Industrial Recovery Act of 1933 had a provision for low cost housing and the clearance of slums, authorizing grants of 30 per cent of the cost of labor and materials. The Public Works Administration was given the power to purchase or obtain through eminent domain any property necessary for such development. Limited-dividend companies in states having housing boards were encouraged, although loans to them ceased in 1934, available funds at that time being used to finance direct relief. The Emergency Relief Appropriation Act of 1935 again made money for housing available, but due to various difficulties all funds were withdrawn except for projects that could be completed in 1936. The Works Progress Administration then began Federal housing, with Federal ownership and management.

During the period from 1932 to 1937 various Federal agencies in addition to the Works Progress Administration were interested in housing. These were the Public Works Administration, the Resettlement Administration, later known as the Farm Security Administration, the Reconstruction Finance Corporation, the Tennessee Valley Authority, the Federal Housing Authority, and the Home Owners' Loan Corporation. The last-named body was designed to check

evictions and to help individual families who could afford decent homes in normal times to hold on to their homes in times of panic and depression.² It also encouraged home ownership on the part of the average citizen.

The United States Housing Authority was established by the United States Housing Act of 1937, and authorized to lend money to public housing agencies. The loans could not exceed 90 per cent of the total cost, bore interest at not less than the prevailing rate on currently issued Federal obligations plus one-half of 1 per cent, and had to mature within sixty years. Capital grants could be made to public housing authorities up to 25 per cent of the development or acquisition cost. The President could grant an additional 15 per cent from relief funds. The Authority could make annual contributions if the state or municipal housing authority provided at least 20 per cent of the total annual contributions. This was done when necessary to help the housing agencies to achieve and maintain the low-rent character of their housing projects.

These capital grants and annual contributions were available when the housing project included the demolition, condemnation, closing, and compulsory repair or improvement of unsafe or unsanitary dwellings in the locality or metropolitan area, substantially equal in number to the number of newly constructed dwellings provided by the project.

The President was allowed to transfer to the Housing Authority any right or title to housing or slum clearance projects held by any department of the Federal Government. The Housing Authority thereupon had to sell or lease all such property to public housing authorities as soon as it was practicable.³

As a matter of fact, the local housing authority was not the city, but a quasi-public corporation known as the "housing authority," which with the "Federal authority" planned the project, accepted the loan, constructed the undertaking, and

² "What the Housing Act Can Do for Your City," United States Housing Authority (Washington, D.C., 1938), p. 15.

³ Stuart A. MacCorkle, *Police and Allied Powers of Municipalities in Texas* (Austin, 1938), pp. 126-127.

operated the project. These local authorities were set up in accordance with state laws passed to enable municipalities to take advantage of Federal offerings. They usually consisted of unpaid members appointed by the city council. This board appointed a manager to supervise and administer the local project. The separate corporate status of the authority relieved the municipality of responsibility for its debts and removed it from legal restrictions covering such matters as budgetary procedure and debt limitations.

In order to participate in the program, each locality had to meet the basic requirements of the United States Housing Act. To do this, it was necessary for the community to meet the following requirements: (1) It had to establish a local housing authority under a state enabling act. Most of the states have done this.⁴ (2) It was necessary to prove that there were low income families in the locality who could not afford decent houses built by private enterprise and whose needs would be met by the proposed project. (3) Ten per cent of the development cost of the project had to be raised to supplement the 90 per cent lent by the United States Housing Authority. Private capital has shown a great deal of interest in this type of investment. (4) Local annual contributions had to be made to the project to help reduce rents. According to the Act, the local annual contributions had to equal at least one-fifth of those made by the U.S.H.A. and be sufficient, along with the U.S.H.A. annual contributions, to insure that the project would have very low rents. To meet this requirement, practically every state has authorized the tax exemption of local housing authorities. Sometimes the project pays to the city small annual service charges or payments in lieu of taxes. (5) A number of slum dwellings equal in number to the new dwellings to be built had to be retired from use. (6) Cost had to be kept down. No project could cost more than \$4000 per family dwelling unit, or more than \$1000 per room (exclud-

⁴ Of the 48 states, 40 have public housing enabling legislation. *Summary of the 1945 Housing Year* (National Association of Housing Officials, Chicago, May, 1946), p. 7.

ing land, demolition, and non-dwelling facilities). In cases where the population of the city exceeded 500,000, these limitations were raised to \$5000 and \$1250 respectively. (7) Prevailing wages were required on all projects receiving assistance from the United States Housing Authority.⁵

Even after it was decided where the local housing unit was to be located and the necessary land had been procured for its construction, many problems arose regarding operation and maintenance. Families had to be found who were not only willing to live in the new quarters, but there was also the question of whether or not they were qualified to do so. In some instances, new schools had to be erected in the vicinity, recreation provided, transportation facilities made available, and various services, such as water, light, and heat, furnished, and fire and police protection given. In fact, the projects were large enough in some cases to raise the problem of a community within a community.

By 1940 the needs of the defense program so dominated the housing field that the U.S.H.A. low-rent housing development came to a halt. In December, 1941, all funds for loan by the U.S.H.A. to local public housing agencies had been virtually exhausted. In order to get the defense housing program underway, Congress appropriated \$150,000,000 as early as 1940. This was supplemented in the beginning of 1941 by another grant of the same amount, and later in the same year Congress appropriated \$300,000,000 to speed development of housing for war workers in defense areas. The administration of this initial effort was spread among several agencies during the first two years of its operation. Principal among these were the Division of Housing Coordination and the Division of Defense Housing of the Federal Works Agency. The Farm Security Administration was responsible for handling temporary housing, and the U.S.H.A. spent some of its funds for defense purposes, as well as handling special defense housing funds as agent of the Federal Works Agency or as intermediary between that agency and local public housing authorities.

⁵ "What the Housing Act Can Do for Your City," pp. 17-18.

The entire administration was changed early in 1942 with the consolidation of all Federal housing functions in the National Housing Agency; and this, with minor changes, has continued in effect to the present time. Under the jurisdiction of this office are the Federal Housing Administration, the Federal Home Loan Bank Administration, and the Federal Public Housing Authority. The last of these was created to take over the entire public housing function of the Federal Government with the exception of farm housing, and into it were merged the United States Housing Authority and the Division of Defense Housing of the Federal Works Agency. Through its grant of authority to acquire land, construct, and operate projects in order to provide war housing, this agency bore the brunt of the attack on public housing problems during the war years. It utilized local public housing agencies in the construction and operation of war housing projects, and revised previous contracts with local agencies in connection with low-rent housing and slum-clearance projects so that these also could be utilized for war workers. Some idea of its task can be gained from recognition of the fact that between July, 1940, and November, 1945, 856,004 units of newly constructed and converted dwellings had been publicly financed from more than \$1,900,000,000 of legislative appropriations.⁶ Seventy-seven million of this latter figure, however, represents returns to the Treasury as a result of the cancellation of a large part of the public housing program after V-J Day.

Since the termination of hostilities, the P.H.A. has been concerned with the management of public war housing projects to aid distressed families of veterans and servicemen, civilian employees of the War and Navy departments, and distressed families which were dislocated as a result of the war or demobilization. Other recent activities of this agency include the reconversion and transfer to state and local governments and educational institutions of war housing considered as surplus property by the Federal Government. Under author-

⁶ *Summary of the 1945 Housing Year*, p. 6.

ity granted by an amendment to the Lanham Act and an appropriation of \$191,000,000, voted by the Seventy-ninth Congress, cities may be reimbursed for expense incurred in the acquisition or relocation of temporary housing or other facilities under control of the National Housing Administrator for rehousing veterans and families of distressed servicemen. The only expense involved for the city is that attributable to providing a site, installing streets, utility lines, fixed and movable equipment which is not available out of P.H.A. surplus stocks, and management and maintenance expenses. These items of expense borne by the city can be recovered through rentals, but profits after expenses and taxes revert to the Federal Government. Cities taking advantage of such temporary housing must agree to provide it for all racial groups of veterans, and adopt rentals conforming to veterans' financial means.

As an integral part of the housing program for veterans, the President on January 26, 1946, created the Office of Housing Expediter. This office was given broad powers over all agencies dealing with housing in order to carry out the veterans' emergency housing program. The powers thus conferred later took the form of the Veterans Emergency Housing Act which became effective in May of 1946. This act provided for the following: selective premium payments to meet temporary costs such as overtime wages and marginal plant production; guaranteed markets for industrially built houses or new types of building materials; and insured financing of moderate and low-cost housing.⁷ Until January 11, 1947, the Office of Housing Expediter was combined with that of Administrator of the National Housing Agency since the same official served in both capacities. Since that date, however, there has been a separation of the two offices and a reorganization of each. The principal function of the Expediter's office continues to be the administration of the veterans' emergency

⁷ *United States Government Manual* — 1947, First Edition (Division of Public Inquiries, Government Information Service, Bureau of the Budget, Washington, D.C., 1947), p. 72.

housing program, while the National Housing Agency is responsible for Federal nonfarm housing activities and for managing and disposing of war housing.⁸

One of the outstanding features of the Federal veterans' housing program after its inception was the formation of local groups called Mayors' Emergency Housing Committees in cities over the country. These were formed on the assumption that the ultimate success of the emergency housing program depended upon effective local community action. The National Housing Expediter urged mayors to appoint the veterans' emergency housing committees in their respective cities, and as of October 1, 1946, six hundred of such were activated. The work of these local committees consisted generally of the following: the establishment of local emergency production goals; laying out local programs to meet those goals; assumption of leadership in breaking local bottlenecks, such as restrictive building codes; assurance of well-planned sites; establishment or expansion of veterans' housing referral centers; listing vacancies for veterans; inducing families to share their homes; and stimulating community action to provide homes for returning veterans and their families.⁹

In addition to legislating on matters of veterans' emergency housing, the Seventy-ninth Congress in the Wagner-Ellender-Taft General Housing Bill made a notable step toward formulation of a permanent national housing policy. The bill passed the Senate, but was allowed to die in the House. It was very comprehensive in its treatment of the housing problem, and in essence provided for the following:

⁸ "Reorganized Offices of Housing Expediter and NHA Administrator," Supplement to *Journal of Housing* (April, 1947). Since the writing of this book, President Truman's reorganization Plan Number 3 was approved by the Senate, and on July 27, 1947, the Housing and Home Finance Agency was established as the country's first permanent agency, consolidating the housing functions of the Federal government. The H.H.F.A. succeeds the National Housing Agency. The new Agency is made up of the Office of Housing and Home Finance Administrator and three constituent agencies: Public Housing Administration (succeeding F.P.H.A.); Federal Housing Administration; and Home Loan Bank Board (three-member bipartisan Board succeeding the Federal Home Loan Bank Administration).

⁹ *United States Government Manual* — 1947, pp. 73-74.

- (1) A permanent National Housing Agency
- (2) Research, market analysis, and local planning
- (3) Extension of existing aids to privately financed housing
- (4) Aids to privately financed housing for families of lower income
- (5) Yield insurance, guaranteeing a minimum return on investments in moderate-priced rental housing
- (6) Aids to localities for land assembly in development and redevelopment programs
- (7) Aid to localities for low-rent housing
- (8) Aids to farm and rural housing
- (9) Disposition of permanent war housing and other federally owned housing with preference to servicemen and veterans
- (10) Periodic inventory of housing needs and programs

This comprehensive housing bill was again introduced in the Eightieth Congress and reported favorably by the Senate Banking and Currency Committee, but once again it was allowed to die in the House. While it differed slightly from the original proposal, most of the major provisions remained intact.¹⁰

State governments, too, have taken an interest in the housing problems faced by cities in recent years. Since 1941, twenty states have adopted urban redevelopment laws to facilitate the clearance and rehabilitation of slum and blighted areas in their cities. These statutes are of two types: private corporation, and public agency. Five states have adopted legislation of both types. While the earlier of these laws placed responsibility for land assembly and clearance upon private enterprise, the later ones (all enacted during 1945) place that responsibility upon local public bodies, leaving the actual redevelopment to private enterprise.¹¹

¹⁰ For a complete discussion of the original Wagner-Ellender-Taft Bill, see "Proposed General Housing Act of 1946," *Minnesota Municipalities*, Vol. XXXI, No. 5 (May, 1946), pp. 162-174. The new proposal and how it differed from the 1946 act may be found in *Journal of Housing* (March, 1947), pp. 59-62.

¹¹ These should not be confused with enabling acts enacted by the states under the United States Housing Act. Urban redevelopment legislation is dis-

There is perhaps no problem more acute in American cities at the present time than that of housing. Furthermore, there are no indications that the housing shortage will be met adequately within a very short time. Estimates of the National Housing Agency reveal that more than twelve and a half million dwelling units will be needed during the next ten years for the nation to be properly housed. When the current task of furnishing temporary housing to veterans and displaced persons is past, cities will continue to be faced with the obligation of developing, in conjunction with the Federal and state governments, adequate programs for slum-clearance and low-cost housing for the masses of residents.

STREETS

Streets constitute a very important factor in the modern city. On the one hand, they furnish a means of demarcation by which the municipality can be sectionalized and subdivided; on the other, they serve as traffic arteries uniting the city and making for ease of accessibility, thus tying the city and its parts into a compact whole.

The streets of any city perform many services. They carry both foot and vehicular traffic. Trees, lampposts, signs, hydrants, patrol boxes, telephone and electric poles, and various other public installations are located along their course. Only infrequently does the average citizen realize that beneath his city's streets there are water mains, subways, sewers, gas pipes, wire conduits, parking areas, and the like. Light and air often reach shops and dwellings mainly through street channels, and unfortunately in some cases they furnish the only playgrounds some children know.

For purposes of classification, city streets may be grouped in numerous ways. One classification is: primary, secondary, and local. Primary streets are those included in the state-wide highway system. These are arterial streets, or extensions of the state highways. They carry traffic, for the most part,

tinct from and supplementary to local housing authority enabling legislation. See *Summary of the 1945 Housing Year*, p. 10.

to and from points outside the city limits.¹² Secondary streets may assume various forms. Some connect the business district of the city with the secondary outside roads, while others connect traffic centers within a city. In this class are the streets connecting two or more main highways. Mere relief routes which parallel primary streets that are not able to carry their natural load are also included in this category. A local street is one whose chief purpose is to serve adjoining property, such as alleys, lanes, courts, and passageways.

No right-thinking city government attempts to solve the various financial and physical problems involving city streets without first providing for some administrative agency to handle these matters. The form and nature of this agency will vary from city to city, depending upon the circumstances. Customarily, our larger cities place the division or the bureau of streets in the department of public works, where the departments of sanitation, lighting, and water supply are likewise located. Small communities usually have a much less formal organization; here street engineering is frequently placed under the direct supervision of the city engineer, who is directly responsible to the city's chief executive. In some cases the city manager himself may be placed directly in charge of streets. Thus it is that the organization for street administration varies greatly from city to city.

The person responsible for city streets is often an engineer appointed by the mayor or city manager. At times politicians find their way into this position, with expensive results to the taxpayers in the form of waste and incompetence. Both technical aspects and public policy must be taken into account when the administration of streets is considered. A trained engineer will for the most part be better qualified for the position than would a layman. Spoilsmen look with greedy eyes at the street department since it is a large purchaser of lands, materials, and equipment, as well as a large employer of labor.

¹² Walter N. Frickstad, "An Appraisal of Attitudes Toward the Street and Highway Problem," *Public Works Engineers' Yearbook*, 1941 (American Public Works Association, Chicago, 1941), p. 91.

Experience has shown that a dependable way to protect the best interests of the city against avaricious political bosses, so far as streets are concerned, is to place a well-qualified person in charge, removable only for proper cause.

Ordinarily the streets of a city occupy from 25 to 35 per cent of its entire area. Older cities, especially in their business districts, tend toward the lower percentage, while the policy of modern city planning approaches the higher figure, particularly in new subdivisions. The practice followed heretofore apparently has been to save the land of the private property owners, giving little consideration to the needs of the community as a whole.

But in planning streets, utility is not the only consideration. Attractiveness and appearance should not be lost sight of. Trees add greatly to attractiveness, but only when wisely selected and properly placed. Their selection and arrangement should be determined by the width and character of the street, the climate, and the ease with which they may be cared for. There are still other factors which make for attractive streets — the correct proportioning of street area between roadway and sidewalks, tree spacing, adhering to a proper setback policy, using simple, well-designed lighting standards, and avoiding as much as possible unsightly poles and overhanging wires.

Street planning requires a consideration of many factors. A street may be either too narrow or too wide, but more than likely the former condition will exist. Some years ago the practice was to make every street the same width, with little concern for the fact that each street has its own peculiar problems. Certain streets are maintained as thoroughfares, and traffic is heavy, while others are used much less. Some serve crowded business districts, and others, the residential sections of the city. In the last decade, however, city planning has been responsible for an increasingly intelligent consideration of street widths, which are now fixed upon the basis of the amount and nature of probable future traffic and the neighborhood to be served.

Frequently in business districts, streets are too narrow to support present-day traffic requirements. To widen them to any appreciable extent, costs would be prohibitive. Blame for such situations may be laid to the short-sighted individuals or to development companies who first laid out our cities, or to those who subsequently constructed buildings whose heights were out of keeping with the streets upon which they were located. City planning and zoning offer relief from this condition.

There are other problems to be considered in connection with city streets, such as curbs, gutters, and paving. As yet the ideal pavement has not been found; the materials in use at present fall short of having all the desired qualities, which should include durability, ease of tearing up and relaying, safety, ease of cleaning, economical original and final cost, quietness, color, and wearing capacity. Deciding upon the type of pavement is only one of the street construction problems. There is always the matter of determining whether to employ a private paving contractor, necessitating inspection to insure proper compliance with the agreement, or to use the city's own men and materials. Each municipality must decide this for itself.

Street administration responsibilities do not end with the completion of a construction job. The street must be maintained — i.e., kept in repair, cleaned, and lighted. One of the chief repair worries arises from the necessity of utility companies cutting into the pavement to install and repair their mains, and so far no workable solution has been devised to aid in this situation. Street cleaning and lighting both present the question of private versus municipal operation. These are problems for which each city must find its own solution. Street lighting deserves particular attention because of its close relationship to the crime and accident rate; proper lighting insures against each of these public menaces. Also the usefulness of a street may often be increased by installing easily recognized street name signs and house numbers.

Closely connected with streets are sidewalks which serve

the pedestrian traffic. Their design and construction are fairly well standardized. But one important problem involves the question, Who is to bear the cost of sidewalk construction? Some cities require that the owners of adjoining property bear this expense, allowing them to choose the materials and method of construction, subject to inspection by the city. Frequently, the result is poor and the sidewalks must soon be relaid. Perhaps the city would profit in the end if walks, like gutters, curbs, and streets, were placed entirely under city control as to both design and construction. Costs to the city would thereby be increased, but a saving no doubt would result to the citizenship as a whole.

The street problem of a city is often affected by the topography and the climate of the locality. In case the city is built around streams, ravines, or deep valleys, bridges become necessary, and entail careful planning and large outlays of funds. A bridge may easily be an eyesore to the community; thus its appearance should not be overlooked at the time of construction. Maintenance, too, creates additional costs and burdens to the city administration. Climate all too frequently contributes to a city's worries; and where there is much rainfall, storm sewers must be constructed to prevent the interruption of traffic during the hardest rains.

SANITATION

The remainder of this chapter will be devoted to a discussion of sanitation. The term itself is broad, but treatment here will be restricted to refuse, garbage, and sewage, their collection and disposal.

During the early days of our history, the problem of sanitation was not acute. However, as cities began to take shape and became crowded residential and industrial centers, this condition changed. Many of those located on inland streams emptied their sewage into rivers and streams whence came their neighbors' water supply. These practices created serious public health problems. Typhoid fever often resulted, and today there are those who believe that poliomyelitis (infantile

paralysis) abounds in sewage and contaminated water supplies. The outcome has been the establishment and operation by cities not only of vast sewage treatment plants, but also plants for the adequate treatment of water used by the public.

Aside from the public health aspect, the problem of sanitation also raises the question of esthetic considerations. An outdoor privy or a leaking cesspool is no longer tolerated in many of our better municipalities. They are viewed as black marks upon the neighborhood. The development of the problem has thrown its solution squarely in the city's lap despite the fact that both Federal and state governments have an interest therein.

Many cities have developed what were considered adequate plans for future sanitation development, only to find that unprecedented industrial and residential expansion have made them antiquated within a very short time. The city of Akron, Ohio, serves as an excellent example. The original sewage treatment plants completed in 1917 were quickly overloaded, with the result that they had to be supplemented and finally replaced by a new plant in 1928. In recent years, the rubber industries have again overloaded the system to the point where in 1946 it had to be doubled in capacity and augmented by processes which would guarantee discharge of high-quality effluent into an inadequate diluting stream.¹³

With the halt of all but the most essential public works construction during the recent war, the problem of adequate sanitation has become particularly acute. Much of the equipment used in handling waste and sewage has become worn out or obsolete. In 1940, the Public Health Service made a survey which disclosed that sewer extensions were needed in 5533 cities containing some 10,297,300 persons. A recent survey disclosed that from a sample of 24 states throughout the country, 638 cities had sewage plants requiring repairs, enlargement, or modernization. When consideration is given to the fact that only one person in seven living in cities is not

¹³ Frank C. Tolles, "Overloaded Akron Works to Be Enlarged and Augmented," *Sewage Works Engineering*, Vol. 17, No. 2 (February, 1946), p. 73.

a tributary to municipal sewer lines, it is not difficult to realize the vastness of the problem at hand and appreciate the expansion necessary to bring sanitation up to proper levels.¹⁴

There is little uniformity in the organization of sanitation functions. Although the handling of refuse and sewage disposal has a very definite relation to the public health, very frequently the sanitation function is located in the Department of Public Works. In some cases there is a division of sanitation, while in others there are several divisions. In case the activities are separated, a division of refuse disposal and a division of sewage disposal would appear logical.¹⁵ In any event, it is to be recalled that the sanitation function is a technical one, and for this reason, should not be made subject to the inadequacies of a system of political patronage. In large metropolitan areas it may be desirable to decentralize the basic organization on a geographical basis. If this is done, adequate supervision and control by the central office must in all cases be provided.

Sanitation activities are of more than local concern. In some states the state health department exercises administrative control over local water supply and sewage disposal. Very frequently it becomes necessary for the city to co-operate with other units of local government in working out its problems of sanitation. Furthermore, in order that the public health of the urban populace be adequately protected, there should exist effective liaison between the city's health department and the agency performing sanitary functions.

Waste Collection and Disposal. The term "waste" is not strictly universal, nor are the practices involved in its collection and disposal uniform among our cities. For instance, some municipalities gather such refuse as leaves, bottles, and tin cans at the same time that garbage is collected, while others make separate provision for them. Street refuse collection is normally carried out independently of that provided business establishments and residences, and many cities make special

¹⁴ "One Quarter of Sewage Plants Need Modernization," *Sewage Works Engineering*, Vol. 17, No. 2 (February, 1946), p. 65.

¹⁵ See Donald C. Stone, *The Management of Municipal Public Works* (Public Administration Service, Chicago, 1939), pp. 10-12.

provision for the removal of dead animals. Garbage, however, constitutes the major part of the city's waste problem.

The three principal methods of garbage collection in use today are: (1) private collection by a single contractor under exclusive contract or franchise, (2) private collection by licensed collectors, and (3) collection by the municipality. Under the first of these methods, the city, through a process of competitive bids, enters into a contract with an individual to collect garbage throughout the city. This method has not proved to be successful in our larger cities, although it is quite frequently used in smaller communities. One defect with the plan arises from the fact that such contracts are usually entered into for a short period of time, with the result that it is difficult for the contractor to purchase and maintain the necessary equipment on a profitable basis. Experience also indicates that all too often this method of collection has been used by local political machines as a method of exacting high fees in return for poor services.

The method of collection by individuals licensed by the city presents even a poorer solution to the problem. It is difficult to exercise the necessary control over the various operators, and uniformity of administration and enforcement of regulations becomes virtually impossible. A recent survey discloses that many cities having ordinances providing for this type of collection actually employ only one individual, and thus in effect have single-contractor collection as mentioned above.¹⁶ The trend is very definitely toward adopting other methods in preference to that of employing several licensed collectors.

The third method, namely collection by the city, finds application in a majority of American municipalities. Under this system, the function is handled by a regularly organized municipal department or division. It is preferable to other methods because better service can be provided at minimum cost to the public. The city is in a better position to finance

¹⁶ *Garbage Collection and Disposal* (Association of Washington Cities and Bureau of Governmental Research, University of Washington, Seattle, March, 1945), p. 5.

the capital outlay involved in the purchase of needed equipment, and through services already established for other departments can maintain trucks and vehicles in good condition at reasonable cost. Service tends not only to be better, but is also more continuous. Effective administrative control and regulation can be maintained and proper liaison established with other agencies, such as the city health department, the county health unit, or other units of local government.

Some variations of the above methods exist. Of particular significance are arrangements whereby the city and private individuals combine their efforts in the collection of garbage, one of the most usual being the case where the city collects from the residential areas, leaving collection from the business and industrial areas to private contractors.

Great strides have been made in recent years in garbage collection methods, due primarily to better collection equipment, the development of more adequate health standards in sanitation, and the installation of improved administrative controls. The ordinances regulating garbage collection are usually quite detailed.¹⁷ For example, some of them deal with such subjects as the wrapping of garbage, the separation of burnable from unburnable garbage, the kind, shape, size, and location of garbage containers, the time of collection, and like matters. Citizens are normally required to furnish acceptable covered containers which may be collected from the front or rear of residences, depending upon local requirements. The use of completely covered truck beds has been a great advance, and these, together with stringent standards for operating personnel, have played no small role in coping with a heretofore serious problem of garbage-strewn alleys and streets.

Regardless of the method of garbage collection used, there is generally the problem of disposal. These methods include the open dump, river and ocean dumping, hog-feeding, incineration, and the sanitary fill. The first three are the oldest from

¹⁷ For an examination of typical ordinances governing garbage collection, see *Garbage Collection Ordinances of Washington Cities* (Association of Washington Cities and Bureau of Governmental Research, University of Washington, Seattle, February, 1945).

the standpoint of use. Open dumping of garbage is frequently referred to as garbage farming, and consists of nothing more than dumping or spreading raw garbage in an open plot of ground. Regarded from one point of view, this method is inexpensive. On the other hand, unless the dump is located a considerable distance from the city, consequences are apt to result which will more than offset any advantage gained by low-cost operation. Ashes, rubbish, and other non-putrefying matter may be disposed of by this method; but putrescible animal and vegetable matter in garbage, when dumped in an open area, leads to many objectionable results, even when located a considerable distance from the city.

Ocean and river dumping is used by a considerable number of cities. Although the former is more commonly employed, many cities have been forced to abandon it because of the fact that the garbage did not always go to sea. It often returned with a flood tide to litter adjacent beaches and plague local health authorities.

Some cities have either maintained their own hog farms for garbage-feeding purposes, or have sold garbage to private interests. Tests made by the United States Public Health Service have shown that there is a higher incidence of trichinosis among garbage-fed hogs than among grain-fed animals.¹⁸ While hog-feeding continues to account for quite a large portion of garbage disposal throughout the country, its continuance is not to be recommended.

Incineration provides one of the most satisfactory methods of destroying garbage. Efficient system design plus extremely high temperatures provide very effective destruction of garbage and refuse, with hardly any harmful fumes or other after effects. This method is particularly adaptable to those cities collecting their own garbage and refuse. As a matter of fact, most of our large cities use incinerators in handling waste disposal. However, it is one of the most expensive of the alternative methods, not only because of the large capital outlay

¹⁸ "Garbage-Fed Hogs Held to Be Spreaders of Trichinosis," *Municipal Sanitation*, Vol. 8, No. 11 (November, 1937), p. 582.

involved in the plant, but also because of the high operational costs.

Today, incinerators are giving way to a newer and apparently very effective method of disposal, namely the sanitary land fill. By this method, garbage is buried under a heavy layer of fresh dirt. Standard equipment used in carrying out this operation consists of a bulldozer type tractor and drag lines. In addition to being economical, the method is safe from a health standpoint.¹⁹ Many cities, through this medium, have been able to level and improve land sites which under conventional methods of filling would have cost considerably more.

Recently, increased attention has been given to the grinding of garbage, with ultimate disposal in the sewerage system of the city. There are three general methods of grinding: home-grinding, grinding at centralized stations, and grinding at the sewage plant. Under each of the plans, garbage is so finely shredded and ground that it can be discharged into the city sewer system, ultimately to become a part of sewage sludge.²⁰ Success depends upon the adequacy of the sewage lines and the disposal plant. There is general belief that home-grinding will increase rapidly with the availability of necessary equipment, but that it will not replace the need for the collection of garbage and refuse by other accepted methods.²¹

Sewage Disposal. Sewage is a general term ascribed to the city's liquid wastes resulting from residential occupation, industrial operation, and surface water. Originally it was disposed of in the private cesspool or allowed to flow into a vacant

¹⁹ As an example of comparative costs, Fort Worth disposes of garbage via sanitary land fill at a cost of 37.6 cents a ton, while incineration costs \$1.11 per ton. See "Cities Save on New Refuse Disposal Method," *News Bulletin of Public Administration Clearing House* (June 11, 1946). For an excellent general treatment of this method, see Jean L. Vincenz, "Refuse Disposal by Sanitary Fill," *Western City*, Vol. XX, No. 1 (January, 1944), pp. 18-20.

²⁰ William D. McIlvaine, Jr., "Public Works Developments in 1945," *The Municipal Year Book*, 1946 (The International City Managers' Association, Chicago, 1946), p. 324.

²¹ For an excellent discussion of this method, see "Disposal of Garbage through Sewage Treatment Plants," *Michigan Municipal Review*, Vol. XIX, No. 9 (September, 1946), pp. 99-105.

plot of land, but today stringent municipal control and regulation is necessary. Modern cities have elaborate underground distribution systems which quickly transport raw sewage to treatment plants and ultimate places of disposition. There may be one system which handles all sources; however, it is not uncommon to find a separate installation for surface water resulting from storms, rains, street cleaning, and the like. The particular installation in any city will depend upon a number of factors, including weather conditions, availability and adequacy of disposal streams, land terrain, nature of the soil, economic and social status of the city's population, and the market for sewage-sludge fertilizers.

The simplest method of sewage disposal is by dilution discharge into the ocean or an inland stream. However, artificial treatment prior to ultimate disposal has now become common practice. The three primary methods of artificial treatment are: sludge digestion, the activated sludge method, and the Imhoff tank. Under the first of these, the sludge (organic residue) is separated from the effluent (liquid discharge), and the former is digested by anaerobic bacteria. The activated sludge method employs a mechanical arrangement whereby large amounts of oxygen are introduced into the sewage to promote digestion by aerobic bacteria. The Imhoff tank, which was developed in Germany shortly after the turn of the twentieth century, treats sewage through sedimentation and digestion.²² The tank consists essentially of two parts, the upper or flowing-through compartment and the sludge-digestion or lower compartment. The raw sewage is led into the top of the tank where, through a process of sedimentation, solids are removed. This sludge is then released to the lower compartment where it is digested by septic action similar to that of the sludge digestion method described above. The effluent is often further purified by means of filters.

The rather clear and pure effluent resulting from treatment plants is usually diverted into a stream because there is no

²² For a clear discussion of the Imhoff tank, see "Operation of Imhoff Tanks," *Sewage Works Engineering*, Vol. 17, No. 7 (July, 1946), pp. 368-369.

danger of contamination. Sludge is normally dried through heating or exposure, after which it may be sold or used as fertilizer, or burned.

Financing Waste and Sewage Disposal. Although there were some instances of financing sanitary facilities by means of service charges, for the most part they were financed through taxes and special assessments until 1930. Since that time, aid from the Federal Government, bond issues, and current service charges have played no small role in financing these services. The Federal Government, through the Public Works Administration, in the 1930's paid from 45 to 90 per cent of the cost of many municipal sewage disposal systems throughout the country.²³ During the war, Federal aid in this field was of necessity abolished, but under Title V of the War Mobilization and Reconversion Act of 1944, authorization has been made for the payment of Federal funds to state and local governments to aid in planning local public works. By January 1, 1946, 1550 out of a total of 4175 applications for such funds were for sewerage, water, or sanitation projects.²⁴

It is quite common to find sanitation installations financed by bond issues. Both general obligation bonds and revenue bonds are used, although there has been a tendency toward the latter in recent years. The greatest innovation in recent times, however, has been the institution of service charges to defray costs of maintenance, operation, and debt retirement. Specifically there are two general types of these charges: refuse collection charges and sewerage rental charges.

Refuse collection charges consist of monthly, quarterly, or annual charges for collecting garbage, rubbish, and other kinds of refuse. More than one-third of the cities with over 10,000 population have adopted them since 1941, and by the end of 1945 a total of 130 cities made charges for one or more classes of refuse.²⁵ The average monthly residential bill approximates 60 cents for municipalities in the 10,000 to 25,000 popu-

²³ John M. Pfiffner, *Municipal Administration* (New York, 1940), p. 457.

²⁴ Harry Hewes, "1500 Sewage Projects Studied by Federal Works Agency," *Sewage Works Engineering*, Vol. 17, No. 3 (March, 1946), p. 156.

²⁵ "Refuse Collection Charges," *The Municipal Year Book*, 1946, p. 325.

lation class, while it is 10 cents per month less for those in the 25,000 to 50,000 bracket. More than one-half bill monthly, 19 per cent bill quarterly, 15 per cent annually, while some use a two- to three-month period.²⁶

Sewerage service charges are most frequently referred to as "sewer rentals." They are identical with refuse charges except that they apply exclusively to sewerage systems and have different bases for determining the amount charged. As of the end of 1945, 190 cities, or 18 per cent of those above 10,000 population, made sewerage rental charges, the device being most popular in the larger cities. Those with populations greater than 250,000 rely almost exclusively upon metered water consumption as a basis for charging customers, but other popular methods include a fixed per cent of the water bill, flat rate, and number of plumbing fixtures.²⁷ A city may even employ a combination of these methods in determining charges to residential and commercial customers.²⁸

²⁶ "Refuse Collection Charges," *The Municipal Year Book*, 1946, p. 325.

²⁷ "Sewer Rentals," *The Municipal Year Book*, 1946, p. 328.

²⁸ See Leo T. Parker, "Higher Court Decisions of 1945 Involving Sewer Projects," *Sewage Works Engineering*, Vol. 17, No. 4 (April, 1946), p. 209.

Public Utilities

THE NATURE AND PREVALENCE OF PUBLIC UTILITIES

ALTHOUGH the term "public utilities" is ambiguous, it may be characterized as including those enterprises, either publicly or privately owned, which render a necessary public service and at the same time are a natural monopoly by virtue of certain privileges granted by some governmental agency. Public utilities, in a narrow sense, include water, gas, electricity, communication, and transportation services. To these may be added the "near utilities" which include airports, abattoirs, sewers, markets, bridges and tunnels, and auditoriums.

The services rendered by the various public utilities have many characteristics in common; these services are of such primary importance that regulation is imposed by the local, state, or Federal Government to protect both the rights of the consumers and the interests of the utility owners. Privileges granted by the government include the use of public property for pipe lines, tracks, cables, wires, and the like; the right of eminent domain which allows the utility to obtain at a fair price property required in its development; and natural monopoly rights which grow out of the franchise granted to private entrepreneurs for the purpose of protecting their investment. Customer protection is required since the public is not at liberty to purchase from another utility if the supplying company sets rates which are too high. Individuals may drill private wells if water rates are high, or even purchase

electricity from a second company; but to have two telephone companies only complicates matters and reduces operating efficiency. Two electric systems may give their customers good service, but the added investment in dual distribution facilities causes a waste for which the consumer pays through higher rates.¹ In time the two competitors may combine after unsuccessfully trying rate cutting. The result then will be a monopoly to recoup previous losses through exorbitant rates. Competition does not solve the problem of protecting the buyer, hence the franchise to restrict wasteful competition. Along with the natural monopoly which the franchise creates, there must be regulation to afford protection to both parties.

Many businesses which supply human essentials are not classed as utilities, but the scope of our concept of what "public utilities" properly includes is constantly changing. An industry becomes a public utility by a public awareness of the nature of the business and the need for regulation, followed by legislation which declares it to be a public utility and provides the necessary regulation. Thus any business may become a public utility provided there is the required public demand. In the past milk and meat have been regulated as public utilities in some European countries, although, up until the present, they remain independent businesses in this country.

Many cities have assumed service functions which deserve mention although they are not equal in importance to the more common utilities — gas, water, and lights. These services may be termed "near utilities" because they have some of the characteristics of a utility, yet are not considered as utilities. Included in this group are transportation systems, abattoirs, airports, markets, auditoriums, wharves and docks, tunnels and bridges, ferries, and cemeteries.

Municipalities own and operate utilities of all kinds. About 85 per cent of the cities in this country own and operate their own water plant and distribution facilities, and these plants

¹ Seattle, Washington, has two competing electric service systems. The waste caused by this duplicate equipment, according to the Seattle Department of Lighting, is \$3,000,000 annually. Ernest R. Abrams, *Power in Transition* (New York, 1940), p. 6.

serve from 80 to 90 per cent of the population in these centers. Water is by far the utility which is most commonly city owned. Its public ownership grew out of the inability of private companies to supply water at a reasonable rate and still make a profit. When water systems were not profitable at a rate believed to be fair to the consumer, city operation became necessary, for the city could meet the operating deficit out of its general revenues.

Electric service was supplied to 18,778 cities and communities in 1937; the number of plants was about 6000, of which one-third were publicly owned. Of the population receiving electricity, 11 per cent was served by these 2000 municipal plants while 4000 privately owned plants served the remaining 89 per cent. At present, municipal plants are more numerous in cities and towns with less than 10,000 population. For instance, only 22 cities of over 50,000 have public plants.² Of the 412 urban places in the United States of over 25,000 population, 32 are served exclusively by a publicly owned utility, 17 by both a public and a privately owned utility, and 363 are served only by a private utility.³ Twenty-one per cent of all cities over 5000 own an electric generation and/or distribution system.⁴ The advent of Federal power production has increased the amount of power produced by publicly owned plants. Some of the important Federal power projects are T.V.A., Grand Coulee, Hoover Dam, Fort Peck, Central Valley, and Bonneville. Each of these projects is estimated to cost more than \$100,000,000, and their total ultimate cost will be at least \$1,500,000,000. Production of large amounts of power at these newly built dams will lead more cities to purchase or build their own distribution plants.

City-operated gas plants are very rare. About 4 per cent of all cities over 5000 own a gas manufacturing and/or distribution system.

² *The Municipal Year Book*, 1946 (The International City Managers' Association, Chicago, 1946), p. 346.

³ *Ibid.*, p. 342.

⁴ *Moody's Public Utilities*, 1945 (New York, 1945), p. a51.

ADMINISTRATION OF MUNICIPALLY OWNED UTILITIES

Actual management and operation of city-owned utilities requires the services of a trained utility expert. This is a position which should not be passed out on the basis of political patronage. In some cases all utilities may be placed in one department, in which case the department is headed by a single individual, usually spoken of as director of utilities; or a board may be placed in charge of the department. The various divisions are then usually placed under the direction of a manager or superintendent. In other cases the city's utilities may be placed under separate supervision with a superintendent or manager in charge of each, and each responsible to the chief executive.⁵ In small cities the city manager may assume the duties of managing the utilities. In larger cities ordinarily efficient management would dictate that all utilities be grouped within a single department and placed under the supervision of a single head rather than a board. A single commissioner is in a position to give more prompt action than is a board, and it should be recalled that the problems in utility operation are not so much policy formulation as prompt and unified action in day-to-day administration.

As has been stated, two or more of the city's utilities may be grouped in a single department under one manager, or one or more of them may be placed in, say, the department of public works or some other department or service. Even so, the utility should be operated as a separate business, and this is possible only if its accounts and records are kept as if it were an independent private utility. The budget of financial operations for the utility need not be recorded in the city's budgetary accounts because the utility revenues and expenditures are not subject to legal restrictions as are other appropriations. The operating results of the city's utility should be presented in a form comparable with the results of a privately owned utility.

⁵ See Frederick L. Bird's study, *The Management of Small Municipal Lighting Plants* (New York, 1932), for a good discussion of the management problem relative to municipally owned electric utilities in New York State.

This does not prevent the use of the other city departments by the utility; for the city treasurer may collect the utility bills, the purchasing department buy supplies and equipment for it, the personnel agency may aid in its personnel problems, the finance department keep its accounting and statistical records, and the city legal staff serve as its lawyers and legal advisors. Interrelations such as these are only normal, and decrease the cost of the utility service to the public. But at the same time a record, as accurate as is possible considering the circumstances, should be kept of the services rendered by one department to another. If these services received are not recorded as costs of operation by the utility, although no cash is paid for them, it follows that its costs of operation are not comparable to those of a privately owned utility, and any comparison between the two to determine which is cheaper becomes guess work. "Free services" rendered by the utility to other departments should be recorded as a sale of service even though the receiving department does not pay for the service.

The city may build its own plant and distribution facilities or it may acquire them from an operating utility. In either case there are two distinct ways open to the city to finance the utility. The first method is by the sale of bonds; these may be general obligations of the city repayable out of taxes, or revenue bonds which are repayable from the utility income. Revenue bonds are not considered as part of the city's outstanding debt when comparing it with the debt limit. This is a convenient way for the undertaking to be financed when the amount of bonds which the city already has outstanding is close to its statutory debt limit. Revenue bonds should not have a life in excess of the revenue producing facilities that they are used to purchase. Both types of bonds are being used today.

The second method of financing a utility is by special assessment. This method is not restricted to financing extensions of a system already in use, but may be used to finance a completely new sewer, water, or transportation system, or

some other utility. Charges are levied against the property owners who will be benefited by the construction of the utility. Special assessments, however, many times do not provide an equitable method for financing the acquisition of an existing utility. The people who benefited when it was first installed may have sold to others who, if now assessed to finance the city's purchase, would be forced to pay twice for the benefits which they receive.⁶ Special assessments are more common for financing prospective extensions to existing systems when customers are asked to build or to pay for the construction of their service extension, which they deed to the city. Usually assessed customers receive a rebate in rates for the first year or two to compensate them partly for their outlay.

After 1933 the Federal Government aided cities in building or acquiring power plants and in building transmission systems in the rural areas. The P.W.A. was authorized to make grants up to 45 per cent of the cost of a plant to aid in the construction or financing of certain public works. By June 1, 1939, P.W.A. had made loans, in addition to the grants, which increased the aid given to non-Federal power projects to 68.3 per cent of their estimated cost. The loan limitation of 45 per cent of the cost of the project was circumvented by the use of grants. Along with the loans and grants made, the Federal Government imposed regulations and restrictions covering construction, expenditures, and employment policies.

The Rural Electrification Administration was set up in 1935 to finance the construction of rural electric distribution systems in areas not already served. Loans were made to co-operatives, municipalities, other public bodies, and private enterprises. Most of the loans have been made to rural electric co-operatives to build distribution facilities, power being purchased from a nearby plant; or the R.E.A. may lend funds for construction of a power plant. By the end of 1941, 773 R.E.A.-financed power systems were in operation. Funds

⁶ D. F. Wilcox, *The Administration of Municipally Owned Utilities* (New York, 1931), pp. 25-27.

had been allotted to 869 agencies, of which 793 were co-operatives, 52 public bodies, and 24 private companies.⁷ No grants may be made by the R.E.A., and the loans are to be "self-liquidating" over a period of 35 years.

The city is faced with a different question in arriving at its utility rates than is the privately owned company. In the beginning the municipality must determine whether or not it is to operate its utility at a profit; if so, how much profit and how it shall be used. Private utilities must fix their rates to yield a profit, if they wish to continue operations; and that profit is paid out as dividends or retained in the business for expansion purposes. A recent survey of Texas cities which operate their own utilities revealed that 92 per cent of the electric plants and 83 per cent of the water plants were operated at a profit. The Federal Power Commission reported that privately owned electric companies paid 13.2 per cent⁸ of their gross revenues as taxes and cash contributions for 1936, while publicly owned electric utilities paid 17.3 per cent for the same period. The greater part of the payments, 85 per cent, made by the municipal utilities represented cash transfers arising from utility profits which were not retained by the utility. In addition to the cash paid to municipalities during 1936, the municipal electric utilities contributed free services amounting to 8.5 per cent of their gross revenue, while privately owned utilities contributed a negligible amount of free services. Neither the publicly nor privately owned utility distributed power at cost. The amounts contributed by the publicly owned utility, both cash and free services, may help to reduce taxes or even make a city "tax free."

REASONS FOR REGULATION OF PRIVATELY OWNED UTILITIES

Regulation of the privately owned utility has for its purpose the protection of both the consuming public and the utility owners. More specifically, local, state, or Federal regulations

⁷ *Moody's Public Utilities*, 1945, p. a24.

⁸ Federal Power Commission, *Rates, Taxes and Consumer Savings*, 1935-1937 (Washington, D.C., 1939), p. 7.

are imposed upon the utility to assure a reasonable service at a fair rate. Every business is subject to some regulation; but when the law gives one the right of natural monopoly, every effort should be made to protect the public against exorbitant rates and mythical financial manipulations. The service rendered by privately owned utilities is usually satisfactory, except for the extent of their services. They are operated for a profit, and must necessarily be wary of extending services into sparsely populated districts which may not prove profitable ventures.

When private electric companies were first organized to supply power, it was considered permissible to charge a rate high enough to make operation profitable. At that time no question arose regarding the right to charge a high price which the low income group could not afford. Soon rate regulation became necessary, and Wisconsin and New York in 1907 passed public utility laws.⁹ At that time only 1 family in every 38 in America used 25 kilowatt-hours per month at a cost of 10½ cents a kilowatt-hour. By January 1, 1945, in the cities over 50,000 the average monthly bill for 25 kilowatt-hours was \$1.32.¹⁰ Again, the amount of energy generated increased from about two and one-half billion kilowatt-hours in 1902 to more than 188 billion in 1942, and the number of customers increased from approximately 600,000 to 32,210,000.¹¹

Costs of generating electricity have decreased and this reduction is reflected in lower rates to consumers. But the price to the consumer, or the rate he pays, must cover costs other than those of production and distribution. These are: (1) the "customer costs" which are relatively fixed for each customer and include meter reading, billing, collection, and service costs; and (2) the "demand" or "ready-to-serve costs" which arise from the inability of the company to install just the right amount of facilities because the consumers' demands

⁹ Henry G. Hodges, *City Management* (New York, 1939), p. 573.

¹⁰ *The Municipal Year Book*, 1946, p. 342.

¹¹ *Moody's Public Utilities*, 1945, p. a6.

vary; they desire electricity for lighting at night and for cooking during the day; thus peak load demands occur and the capacity must be provided to meet these demands.

A great number of rate plans are in effect at present in this country, but only the more common ones will be described here. The straight-line meter rate is a simple scheme whereby the user pays the same amount for every kilowatt-hour used. This plan usually has a base or minimum charge regardless of the power consumed. The flat rate is even less scientific than the straight-line meter rate, for it is based on the number of outlets or rooms in the house, or sometimes on the frontage of the dwelling, in the case of water. These two plans are haphazard and unscientific because they do not promote use by reducing rates, nor does the flat rate stop wastage. Block rates provide for lower rates as more service is used, but the rate in the first block is usually high enough to recover most of the fixed costs of supplying the customer. If the lower blocks are not made too large, the consumer gets the benefit of lower rates for part of his consumption; and if his consumption is quite large, the rate becomes very low. This type of rate is said to be "promotional" because it reduces the cost of large amounts of electricity. The customer is induced to install an electric stove and water heater to take advantage of the lower rate. Block rates may include as many as five parts with a different rate for each. Sliding-scale rates provide an incentive for the company to keep operating costs down and lower its rates, because as the company decreases its rate for services supplied, it is allowed a higher return on its invested capital. If a company was allowed a 6 per cent return on its invested capital when its bus fare was 6 cents, it might be allowed a 7 per cent return if it reduced the fare to 5 cents.

By far the greatest problem in determining the rate which a privately owned utility shall be permitted to charge is the determination of its capital investment actually in use. Current operating expenses represented by cash expenditures are reasonably easy to determine, but the cost of a system which was built over a period of years or which grew out of corporate

"high financing" is not recorded on any books nor is the cost easily ascertainable. After all the legitimate current expenditures for operation are considered, the depreciation of the physical equipment representing its contribution to the year's production must be added to determine the true costs. This may seem a rather simple matter, for if the cost of the plant were determinable, then depreciation might be computed by the straight-line or some other applicable method.¹² But, in addition to determining the cost of production, the regulating body also desires to fix the rate of return on the "fair value of the property being used by it [the utility] for the convenience of the public."¹³

When the Supreme Court of the United States rendered the decision in the *Smyth v. Ames* case, there was hardly any need to differentiate between original cost and reproduction value, the latter being the current cost of reproducing the plant as it was originally constructed. The results will differ during a period of changing prices; with rising prices the reproduction cost becomes higher than original cost, but during periods of declining prices, the opposite is true. Because of the advantages to be gained by the use of one method in preference to the other, the utility interests were inclined toward the reproduction cost method during the nineteen-twenties when prices were rising; but they modified their position when reproduction costs fell below the original costs in the thirties. Thus, the operators were not in a position to benefit by clinging to the reproduction cost theory during depressed price periods, but would do so under the current era of rising prices.

The task of determining either the original or reproduction

¹² Straight-line depreciation is the simplest method of depreciation to illustrate, although it is not widely used for depreciation of utility plants. The yearly depreciation, by straight-line methods, is the cost value of the asset minus estimated scrap, divided by expected life of the asset. For example: If an asset which cost \$100,000 were expected to be worth only \$1,000 at the end of 10 years, at which time it would have to be replaced, the depreciation each year would be \$9,900, obtained by:

$$\frac{\$100,000 - \$1,000}{10} = \$9,900$$

¹³ *Smyth v. Ames*, 169 U. S. 466 (1898).

cost of a plant is an expensive and laborious one. It may require several years of investigation by experts before a "fair" value is fixed for rate purposes. Each time the utility asks for an increase in rates or the consumers demand a rate reduction, it is necessary to establish a value on the physical equipment from which the profit to be allowed is computed. Rate-fixing agencies usually allow from 6 to 8 per cent return on the capital invested. If \$10,000,000 is the amount of the capital investment, and the rate of return to be allowed is 7 per cent, then the maximum net profit which the company could earn would be \$700,000 yearly. In case the private utility considered the "fair" value as established by the regulating agency to be too low, an appeal could be made to the courts for an upward revision. The courts have held that a capitalization placed too low amounts to taking property without due process of law.

The proponents of the reproduction cost theory justify it on the basis that the changes in price level over a period of years make it necessary for the investors in a utility to receive more dollars than they had originally invested when the purchasing power of the dollar falls, in order to be able to replace their plant when the original is worn out. The problem of revising the value of the plant every time the price level changes may be eliminated by once establishing the value of the plant and then revising that value by use of a price index. Rate revision based upon the plant value is an attempt to do through regulation what ordinary price changes do for unregulated businesses; a company receives the same amount of purchasing power for services rendered regardless of the price level at the time.

The prudent investment theory is still another method of evaluating the investment of a utility. It was used as early as 1914 by the Commonwealth of Massachusetts, and California and Wisconsin have considered it. The use of the amount prudently invested as the rate base gives a definite value to be used in rate controversies, which, with an agreed-upon rate of return, simplifies the problem of rate controversies. The rate

base is fixed, not varying with price changes, population shifts, the opinion of appraisers, commissions, or courts. When once determined, the amount prudently invested remains fixed except for additions to plant and allowances for depreciation included in the annual operating charges.¹⁴

There are, however, several points in this theory which have given rise to questions. For instance: Shall a prudent investment be considered one which is honest and based on sound business judgment, or does an otherwise prudent investment become imprudent when these conditions change? It is probably as difficult to gauge judgment of investment as it is opinion of value; thus this theory seems to have as many practical difficulties in its application as does the reproduction theory of value.

It is proposed that earnings constitute another means by which the evaluation of a plant may be determined, but such a process is faulty because the value will depend on the amount of profit which is supposed to be made. Suppose the net earnings of an enterprise amount to \$600,000 yearly and a fair return on the investment is set at 6 per cent; then a fair capital investment would be \$600,000 divided by 6 per cent (.06) or \$10,000,000. By this method the capitalization will justify the rate of profit; this is obvious since the allowed rate of profit was used to compute the capital.

The financial structure of private utilities is subject to many abuses which may result in losses to the purchasers of utility securities. The stocks and bonds may be issued at a discount or as favors to insiders. In such cases the stock is said to be watered because at issuance only part of its par value is received in real assets, cash property, or services. A corporation beginning with watered stock is at a disadvantage in paying dividends on such stock, for it receives no asset to help earn profits. If the rates are based on a mythical capital structure, the consumers are at a disadvantage because the

¹⁴ The United States Supreme Court, in the *Hope Natural Gas Company*, 320 U. S. 594, in a 5 to 2 decision on January 3, 1944, definitely established the prudent investment theory as standard procedure.

profit allowed the utility, when the rate is fixed, will be, say, 7 per cent of an overstated capital. The return to the utility on the real investment will be greater than was intended by the rate-fixing body. To prevent the overcapitalization of utilities and consequently an unfair rate of return, the Texas law ¹⁵ provides that the bonds considered in determining the value of the utility must be proved to have been issued for money which was used in the development of the corporation, or labor or property actually received. This provision should prevent gross overcapitalizations, but the law also provides that the governing authority shall have power to inspect the books and compel the attendance of corporation witnesses for examinations of the value of the corporation.

The Public Utility Act of 1935 ¹⁶ was designed to eliminate abuses and provide greater protection for investors and consumers in financing and operating public utility holding companies. According to the Act, holding companies are required to register with the Securities and Exchange Commission; and subject to certain exceptions in the Act, the registering companies must secure the approval of the Commission to issue or sell securities or to acquire utility securities or assets. The Act calls for the simplification of the corporate structures of registered holding companies and the confinement of their operations to economically integrated areas. The S.E.C., which administers the Public Utility Act, has no power to regulate the rates of utility companies.

The need for control of the powerful interstate utilities was made clear by the collapse of the Insull pyramid following shortly after the 1929 climax in security prices. A holding company is able to control other companies by acquiring their voting stock, and in at least one case as little as 3 per cent of the voting stock was sufficient to give voting control. In this way, by obtaining the multiple effect of many layers of holding companies, the top holding company may control operating companies many times its value. The holding com-

¹⁵ *Revised Civil Statutes* (1936), Art. 1175, Sec. 12.

¹⁶ *United States Statutes at Large*, vol. 49, pt. 1, pp. 803-863.

pany offers advantages, but too often they are used for the personal benefit of a few by extracting unjust fees from the operating companies through high-priced services rendered by controlled management and engineering companies. Individual states have not been able to control successfully the interstate utilities which are owned and controlled by foreign holding companies. The Public Utility Act described above is a Federal law which carries the so-called "death sentence" provision. It provides that holding companies in the gas and electricity fields, in order to operate, must register with the S.E.C. within 30 days after becoming a holding company.¹⁷ The Act applies only to companies whose operations are interstate, but these are the more powerful companies.

The United States Bureau of Standards has developed standards for the operation of public utilities. For electric utilities the standards require: adequate power at all times, sufficient emergency equipment to maintain continuous service under any and all conditions, uniform voltage varying not more than 5 to 8 per cent, accurate and reliable meters, periodical inspection of installations, and use of the safest insulation and other devices.¹⁸

The need for regulation of privately owned utilities is due chiefly to: (1) excessive rates, (2) mythical financial structure, and (3) poor service. Methods of regulating utilities will be discussed in the following section.

CONTROL OF PRIVATELY OWNED PUBLIC UTILITIES

Regulation by Franchise. A franchise is "a special privilege conferred by government upon an individual or corporation, and which does not belong to the citizens of the country generally, of common right."¹⁹ The privilege includes the right to use public streets for pipes, wires, poles, and tracks. Since the franchise is a grant of privilege to the utility, there seems to be no reason why it should not contain an enumeration of

¹⁷ *United States Statutes at Large*, vol. 49, pt. 1, p. 812.

¹⁸ John M. Pfiffner, *Municipal Administration* (New York, 1940), p. 508.

¹⁹ *Black's Law Dictionary* (St. Paul, Third Edition, 1933), p. 811.

the services to be provided and the rates to be charged. The franchise has not worked well as a regulator of services and rates because the city representatives ordinarily do not possess the legal skill of utility lawyers in writing franchise provisions. Also, the city is often at a disadvantage when drawing up a franchise because it is eager to obtain a service which the utility is not anxious to provide, unless it receives some special allowances. This places the city in the position of having to give the utility more privileges than it rightfully deserves. The utility may be successful in obtaining at small cost a perpetual franchise which contains high rate clauses and lax service requirements. Today long franchises are gradually being replaced by those with a fixed life of 25 years or less. Even this is a long period to allow a utility to operate under one contract as technological conditions change rapidly. Near the end of the fixed term the utility is likely to allow its plant and property to deteriorate and the standard of service to fall in order that it may be in a better bargaining position, or because of a fear that the city will not renew the franchise.

Disadvantages of both the perpetual and the long-life franchise are overcome by the use of an indeterminate franchise. Here the city is permitted to purchase the utility at any time upon payment of its fair value to the owners. Thus, a utility operating under an indeterminate franchise is not in great danger of losing its franchise so long as services are kept at a high standard and rates are satisfactory. In case its services do not measure up to the standard, they may be brought to a sudden end. Five-year, automatically renewing terms have been suggested for indeterminate franchises. In this way the city is able to revise the franchise at frequent intervals and is in no position to grant valuable rights to private individuals for long periods of time. The indeterminate franchise was first used in Wisconsin in 1907, the same year that utility regulation was started; however, its use is opposed by many utility officials.²⁰

²⁰ Hodges, *op. cit.*, p. 573.

Commission Regulation. Regardless of how carefully the franchise contract is drawn, the necessity of enforcing the franchise provisions remains. It will not enforce itself. A city may have sufficient money to employ experts whose job it is to see that the utility fulfills its contract, but this is much easier said than done. Many states have public service commissions whose task it is to regulate utilities or to aid cities in their regulation of rates and services. The state commission generally has power to require uniform reports, enforce prescribed accounting methods, and regulate rates, services, and issuance of securities. State utility commissions are often handicapped by a lack of funds and incompetent personnel, but because of their jurisdiction they are in a better position to control utilities than are most city regulatory bodies. The Federal Power Commission created by Congress in 1920, and whose powers were enlarged by the Public Utility Act of 1935, has control over the interstate generation, movement, and distribution of electricity. The Act of 1935 provides that the United States may take over any licensed electric project at the expiration of the license period upon payment to the licensee of the net investment or fair value (whichever is lower) of the property involved.²¹ The Act requires the Commission to determine the actual legitimate cost of the original project plus additions and betterments as well as the fair value at the present time.

Interest on the part of the Federal Government may result in control of privately owned utilities in a manner not thought possible some years ago. After the ruling of the court in the *Smyth v. Ames* case,²² it was impossible for either state or Federal regulatory bodies to fix the value of utility property below the reproduction cost of the property. Rates must include a return on capital, which was fixed as the reproduction cost, and consequently may not be placed so low as to give no return on the property, thus resulting in the confiscation of private property. The Supreme Court has upheld the right

²¹ Public Utility Act of 1935, *United States Statutes at Large*, vol. 49, pt. 1, p. 844.

²² 169 U. S. 466 (1898).

of a political subdivision, as one of its functions of government, to establish electric service systems and to distribute electricity, whether generated by them or purchased from another producer, at rates below the actual cost of service.²³ Rates may not be forced down by a revision of capital value, but the private companies may be forced to lower their rates by installation or threats to install a public plant with powers to sell at any rate desired. The protection against confiscatory rates was lost when the Federal Government installed generating facilities to sell power to units of local government at prices which were not at actual cost and which could be resold at a still lower price if the governmental unit so wished.

The creation of four "yardstick" ²⁴ areas in this country by which fair rates may be determined, has caused privately owned utilities to reduce rates; but since the cost of government power is as difficult to determine as that of private power, the point at which rates become confiscatory can scarcely be ascertained. The right of the people to own and operate their own utility, which President Roosevelt called the "birch rod in the cupboard," may be used too severely, unless the costs of public power production are accurately determined and the distributing municipalities are required to sell at a price above cost. An exodus of private capital from electric operations may be caused by the extension of "yardstick" rates which have no semblance of cost about them. Uniform accounting is a necessity before the problem can be studied in its true light.

There is another method of regulating public utilities, although it is not so frequently employed. An individual or a group may bring suit in order to bring about the desired rate reduction. But court suits are expensive and lengthy; in fact, so much so as to act as a deterrent to individual suits. Even when regulating agencies must seek court action, the result is often long delayed. A case may be shuttled through the courts

²³ Abrams, *op. cit.*, p. 12.

²⁴ The four government power development projects—the St. Lawrence River in the Northeast, Muscle Shoals in the Southeast, Hoover Dam in the Southwest, and the Columbia River in the Northwest—are proposed as standards to prevent excessive rates and to create a greater use of electricity.

for years; and when the rate is declared too high, any reduction is sufficient until the case is again taken to the judges. During the period of the suit the high rates remain in effect.

ACCOUNTING FOR UTILITIES

Before the operating economies which are advanced as the reason for municipal ownership of utilities become accepted, the problem of accurate accounting must be squarely faced and met. No doubt many private operators have been guilty of promoting malpractices, but their actions have been only slightly worse, if at all, than those of publicly owned plants which are also built and operated with accounting guesswork.

Accounting for the municipally owned utility should include: (1) the amount of money spent in the acquisition or construction of the utility plant and facilities; (2) accurate records of the betterments and additions to the plant and retirements of equipment from service; (3) the sources from which funds for capital investment were derived, such as general or utility bonds, special assessments, contributions from customers, or earnings; (4) the expenses incurred during the current period, classified in reasonable detail by type of expense; (5) rates collected and accrued by type of services rendered; (6) financial results of operation, including net earnings, deductions for fixed charges, and balance transferred to general fund or retained by the utility; and (7) statistics of operation, such as number of car riders, free passengers, number of street cars in operation, employees by classification, salaries of officials, etc.²⁵

When services which are not recorded as expenses are received by a municipal plant, its costs of operation are understated. These transferred services, either received or given, should be recorded as expenses or as revenues even though no cash is transferred. A failure to record a transfer of services or properties will make it impossible for the records to portray correctly the results of operation and the assets used by the plant. City utilities should not be expected to "carry" other city functions by furnishing free water and lights for schools

²⁵ Wilcox, *op. cit.*, pp. 57-59.

and hospitals, street lighting, and other services. The opposite also holds true, for the utility should be charged for the legal and accounting services received from other city departments or agencies. After ascertaining the profits as closely as possible, the maximum amount which the utility can transfer to the general fund will be known; but part of the profit should be kept by the utility to meet any emergencies requiring immediate funds.

Depreciation, according to one author, should be figured on the basis of the probable life of each element of plant and equipment, less payments on the principal of the utility debt and replacements made from revenue.²⁶ This statement is made because, as so often happens, depreciation and debt amortization are both thought of as expenses. In reality, depreciation is the decline in value from use of fixed tangible assets, particularly buildings and equipment;²⁷ but debt amortization is the repayment of a loan and even though it be repaid serially, it is not an expense. However, the payment of interest on the bonded debt used to finance the acquisition of a plant is an expense and should be recorded as such in computing general expenses, although not as a production expense. Depreciation may be included in the statement of operations as an expense or as an operating revenue deduction;²⁸ and since the amortization of the debt is not an expense, there is no duplication of charges. The present consumers are not charged an amount sufficient to pay for the present plant and also to build the next one. This cannot happen because the amount charged as depreciation may be used to pay off the bonds or to rebuild the plant, but not both.

There are other problems in accounting for a municipally owned utility, but they are very much the same as for a privately owned plant. These include meter reading, billing, collections, accounting for capital acquisitions, and expense analyses where two or more utilities are operated in the same

²⁶ T. H. Reed, *Municipal Management* (New York, 1941), p. 615.

²⁷ *Accountants' Handbook* (New York, Second Edition, 1938), p. 577.

²⁸ Carl H. Chatters and Irving Tenner, *Municipal and Governmental Accounting* (New York, 1940), p. 291.

department or receive services from other departments. Uniform accounting systems are helpful when making comparisons between several companies, for a common basis is used by each company. The Federal Power Commission has prescribed a "Uniform System of Accounts for Public Utilities and Licenses."²⁹ Uniform detailed reports of operation must be submitted annually to the Federal Power Commission by utilities under its jurisdiction.

Ordinarily the city should make an annual report of operations for its revenue producing utilities, and some cities with large utilities may find it feasible to issue monthly reports. These reports should contain financial statements and operating statistics in a form understandable to the layman, being neither too condensed nor so lengthy as to be unintelligible. Persons more interested in the results of the operations should have free access to the records themselves to carry out detailed studies. It is almost needless to say that the utility records and reports prepared by municipal staff accountants should be audited by independent certified accountants further to assure that the accounts are correctly kept, that all legal stipulations are fulfilled, and to suggest improvements in the accounting procedures in use.

THE QUESTION OF MUNICIPAL OWNERSHIP OF UTILITIES

All public utilities are not subject to the dispute involving electric utilities at the present time: "Shall the city own and operate its own utilities?" Water and sewer plants have been city functions for quite some time, while airport operation, though only recently developed, has been considered a proper municipal function. Perhaps in the future more businesses will be classified as utilities and more utilities will be city owned. Only time will tell the story of the tendency for the municipality to broaden its activities into fields once thought to belong strictly to private business.

For cities in general, the advantages to be gained by public ownership and operation of utilities as against private opera-

²⁹ United States Government Printing Office (Washington, D.C., 1937).

tion is a moot question. However, some points may be enumerated which favor city operation, while others make continued private operation seem preferable.

Profits or savings which otherwise would go to private persons may accrue to the city in case the utility is municipally owned. The amount of profits may be so large as to make the city "tax free," but in such cases the rates are so high that utility consumers are providing funds which should be raised by other methods. The only saving is an unfair one which property owners gain at the disadvantage of consumers who pay the tax bill. A real saving may result from the city's ability to issue securities at a lower rate than the private corporation. This saving may be substantial in view of the fact that utilities have a high capital investment in relation to sales and that some cities are able to float bonds at very low interest rates. On the other hand, those cities who have defaulted on their outstanding debt cannot gain in financing at a lower rate, because a solvent utility can sell bonds at a lower yield than an insolvent city.

The regulation of privately owned utilities has fallen short of its goal; and as has been pointed out, the task of utility regulation is both expensive and difficult. Municipal ownership of the utility eliminates some of the problems — control over rates and prevention of mythical financial structures — but it forces the city to assume the problem of management and of establishing standards of service which are quite perplexing. Political patronage is not a sound basis for choosing utility administrators and employees; however, with city ownership some positions are bound to be given out as patronage. If so, standards of service will be lowered and costs increased. The problems of regulation, therefore, are exchanged for others when once the utility is acquired by the city. As municipal utility ownership becomes more common, no doubt there will be a greater incentive for experts to become associated with municipal plants; administrators for city-owned utilities will be more easily obtained; and political control will be largely eliminated.

City electric utility managers in most instances readily admit that they are not attempting to do any pioneering in the field and that the private institutions and companies are developing techniques which they are ready to adopt. This is not a great drawback, however, because the municipal operator will be forced to assume the responsibility of research when it becomes necessary for him to do so. On the other hand, it has been the suppliers of electrical equipment and not the privately owned utility who have contributed most to research in the past.

Labor treatment may be better in a publicly owned utility, but the very payment of higher wages for shorter hours may be an argument against public management which is not able to do the job as cheaply as private management. But this is a double-edged sword: we condemn private management for exploiting labor in order that the job be done cheaply just as we criticize public management for being too free with the taxpayers' dollar.

Perhaps one of the most frequent arguments heard against the city's ownership of utilities, other than the question of the scope of this ownership, is the likelihood of mismanagement because of political influences. But if one recalls the frauds which have been committed against the people of New York, Philadelphia, and other cities by privately owned utilities, one will be more tolerant of the injustices which have resulted from municipal ownership.

Municipal ownership is by no means a panacea for eliminating all the difficulties involved in private operation. The question of ownership is largely one of policy rather than of principle. Operation problems no doubt will remain roughly the same regardless of who owns and operates the utilities. At present the conflict is largely between private ownership, which has developed an efficient production technique to benefit some of the people, and municipal ownership, which proposes to give the people at large all the benefits of utility operation.

Municipal Courts



AT THE very outset it should be made clear that the term "municipal courts" is a misnomer in certain respects, especially if we attempt to use it as we apply the terms "state courts" and "Federal courts," each of which connotes a type of independent entity. The municipal court throughout the United States is an integral part of the state court system, established and regulated in most instances by state legislative enactment.

HISTORICAL BACKGROUND

When the colonists came to America, they brought with them a long tradition of English borough government, and where they established municipalities these consisted largely of the English system transplanted. Government, as established by the borough charters of the colonial period, was vested in a town elective council which exercised executive, legislative, and judicial functions.¹

The first step in the evolution of the modern city court system occurred when the "common council" of the borough began to sit at different times and in different places when exercising each of their powers. When sitting as a judicial body, the group would meet in one place; when enacting laws, it would sit in another place. This made it necessary for records to be kept separately, whereas before the judicial acts of the council had merely been entered upon its minutes like any other business transaction. Often the group was given a

¹ William Anderson, *American City Government* (New York, 1925), p. 605.

special name like "mayor's court" when sitting as a judiciary. All these changes made for a more distinct separation of the governmental powers and worked toward the eventual establishment of the court as a separate entity in the local government.

The increasing complexity of civic responsibilities during the years immediately preceding and following the Revolutionary period made it necessary for the officials of the municipal council to spend all their time in legislative and executive functions, and caused their judicial powers to be transferred to one or more judges who were not members of the council. Along with the Revolution, also, came the ascendancy of the doctrine of separation of powers, and the people began to object to the placing of the functions of enacting and interpreting laws in the hands of the same men.

Constitutional safeguards concerning right to trial by jury, right of appeal, and others increased the complexity of judicial administration and made it all the more necessary to have full-time individuals on the bench in order to avoid frequent appeals and reversals.²

Shortly after the beginning of the nineteenth century the frontier spirit, with its concepts of bringing justice and law closer to the people, began to develop. A feeling began to spread that judges who had hitherto been appointed, usually either by the governor of the state or by the city council, should be elected by the people. Thus in the western states the idea of the justice of the peace was developed. Noble as this idea may have been in its conception, it has been sadly lacking in practical effectiveness, as we shall see in the pages to follow. The justice of the peace was a full-time or part-time judge who sat in original jurisdiction in minor civil cases and in preliminary "binding-over" proceedings in criminal cases. In most cases he did not have to be a member of the bar or even "learned in the law." His compensation came from fees based upon the cases tried in his court, this practice being

² William Bennett Munro, *The Government of American Cities* (New York, 1933), p. 389.

due to the fact that the volume of litigation in the small frontier community did not warrant a full-time salaried judge. Suffice it to say for the present that this western idea of elective judges only served to add to the complexity of the system of choosing judges and is partly responsible for the lack of uniformity which is so characteristic of present-day local judiciaries. Apparently it contributed nothing toward the improvement of the administration of justice. The low financial return and the standing of the court failed to attract capable men in most cases.

The great increase in urban population which took place in the nineteenth century caused the burden of litigation in municipal courts to become increasingly heavy. Two courses of action presented themselves to relieve the congestion. First, the work of the single court could be divided functionally and cases assigned individually, by types, to the proper branch of the court. Or, on the other hand, separate courts could be established with either coextensive or geographically segmented jurisdictions. Unfortunately, the latter presented the path of least resistance, and its adoption accounts in large measure for the present confusion in municipal judicial organization.

The most vulnerable point of attack in this type of segmentation was in those municipalities using the justice of the peace courts. Here the counties soon began to present a bewildering picture of many justice courts, each with county-wide jurisdiction, each competing with the others for fees, each favoring in its decisions the attorneys which brought it the most business.

ORGANIZATION AND JURISDICTION

The administration of justice in many American cities at the present time leaves much to be desired. Courts in some instances have been established with little or no attempt at logical organization or division of functions. The fact is that the court system of the present-day city is a product of evolutionary forces extending back over many years, and in the course of time each city has developed its own peculiar structure, jurisdiction, and nomenclature. Eastern cities have

retained more or less the original type of court as it emerged from the "common council" of colonial days, while western cities have tended to shade off into the justice of the peace system. The very fact that the systems of judicial organization are so diverse makes any generalization difficult, if not impossible.

The relation between city and county in judicial organization is rarely a sharp one. In many cases the courts in a metropolitan area are primarily county courts and serve the city only because of the city's geographical location within the county. In other cities, like Chicago, the jurisdiction of the municipal court has been made coterminous with the limits of the city, and the county courts have been abolished within the city limits. This tends to divorce the city courts from any relation to the county. Appeals from municipal courts are taken to state courts of appropriate jurisdiction.

City Courts. In general, the lowest position in the judicial system is held by a court variously known in different cities as the magistrate's court, the police court, the justice court, or by any one of a number of other names. In our larger cities, special functions on this level are sometimes delegated to special courts. Thus we have in most large cities the juvenile court, the probate court, the traffic court, the domestic relations or family court, and others. The functions of these courts are indicated by their titles. It should be remembered, however, that these are special courts to which some power originally held by the magistrate's or justice courts has been delegated. They are, in almost every instance, on the same judicial level as the more general magistrate's or justice courts.

In the large metropolitan areas, a vast amount of petty litigation has caused the mushrooming of an almost unbelievable number of courts. Albert Lepawsky, in his study of the judicial structure of the metropolitan area of Chicago, tells us that in Cook County, with the city of Chicago excluded, there are 193 justice courts, which are distributed around the county, each having county-wide jurisdiction.³

³ Albert Lepawsky, *The Judicial System of Metropolitan Chicago* (Chicago, 1932), p. 20.

In many of our more progressive cities, judicial reformers have succeeded in creating a centralized, over-all court for the city, which is variously called the municipal court, the people's court, or the recorder's court. This has meant essentially gathering together the threads of judicial power which historical evolution has scattered and having them all pass again through a single, unified source. The separation of functions, where desirable, has been retained through the device of creating special branches of the central court to deal with problems like traffic violations, juvenile delinquency, domestic relations, etc. Geographical segmentation, as mentioned above, has been abolished and cases are assigned to the various branches by types.

Jurisdiction. The jurisdiction of the municipal courts, like their organization, varies widely from one city to another. There is no uniformity even as regards a division of jurisdiction between civil and criminal cases, some being empowered to try solely one or the other type, some trying both civil and criminal cases. But in general the following powers are rather widely characteristic of the municipal courts:

- (1) to punish violators of city ordinances;
- (2) to punish those guilty of misdemeanors (vagrancy, fraud, petit larceny, etc.);
- (3) to conduct "binding-over" proceedings in criminal cases;
- (4) to try and enter judgment in minor civil cases.

Unified Courts. A study of the unified municipal courts of several representative cities will indicate the nature of this trend in judicial organization. We have mentioned the situation in Cook County. Under constitutional and statutory changes in the first decade of the present century, a municipal court was established within the city limits of Chicago, superseding the old justice courts which had existed previously. In 1938 the panel of the Chicago Municipal Court consisted of thirty-seven judges;⁴ and the work of the court was divided

⁴ Municipal Court of Chicago, *Thirty-first and Thirty-second Annual Reports* (1937-38), p. 7.

into more than two dozen specialized branches, such as the Boy's Court, Domestic Relations Court, Women's Court, Felony Court, and many others. The judges of the Chicago Court are elected for six-year terms.⁵ The court has exclusive jurisdiction "in all misdemeanors, in preliminary examination of felonies, and in most common-law claims except certain tort cases involving more than \$1000."⁶

In Philadelphia, unification has been started but has not advanced so far as it has in Chicago. The Philadelphia court has been granted exclusive jurisdiction within the city over cases involving delinquent children, nonsupport, streetwalking, and adoption. In civil cases involving not more than \$2500 and in most criminal actions, it exercises concurrent jurisdiction with seven courts of common pleas, a court of quarter sessions and other criminal courts, an orphans' court, and twenty-eight magistrates' courts. The Municipal Court is presided over by eleven judges appointed for ten-year terms and under the executive direction of a presiding judge whom they themselves elect.⁷

New York City has not been successful in achieving a unified municipal court. But it would require a chapter far longer than the present one to discuss the judicial maze which prevails in our nation's largest city. Briefly, however, the city has forty-nine magistrates and a chief city magistrate who are appointed by the mayor for terms of ten years. They are empowered to hear felony and misdemeanor charges. They preside over courts which are functionally and geographically segmented into such divisions as the Day Court for Women (Manhattan), the Night Court for Men (Manhattan), the Felony Court (Brooklyn and Queens), the Adolescent Court, the Homicide Court, and many others. Appeals from these branches may be made to the Court of Special Sessions.

Dispossess proceedings and other civil cases not exceeding \$1000 are heard by a district judge of the Municipal Court

⁵ *Idem.*

⁶ Lepawsky, *op. cit.*, p. 25.

⁷ Municipal Court of Philadelphia, *Twenty-ninth Annual Report* (1942), p. A 29.

of the City of New York, an official elected by the voters of the district for a period of ten years. Appeals from this court are taken to the Appellate Term of the Supreme Court.⁸

The criminal courts of Detroit have been unified with noteworthy success.⁹ A bench of seven judges has been established to take the place of the five criminal judges who sat previously, and these elect a presiding judge. The court has been empowered to establish special branches.

Officials. In order to expedite its business, any court must have a number of officials of greater or lesser importance. Heading this list is necessarily the judge, upon whose decisions must ultimately rest the kind of justice which is administered in the city. The importance of getting the right man for this job is obvious, but rarely have states established qualifications for one holding this position commensurate with the responsibility. Municipal judges are seldom required to be members of the Bar, and in many instances a nodding acquaintance with the law and legal procedure is all that is held necessary. The office of city judge or magistrate is too often a reward for faithful party service.¹⁰

The judge is selected by different means in different localities. Prior to the Jacksonian era, judges were almost always appointed, either by the governor, the mayor, or the city council. This practice holds today in New York City and certain other eastern cities where the mayor still appoints the city magistrates. The trend has been increasingly toward the election of judges, until perhaps very recently. Election has become almost a universal practice in the western and middle western states. In such states, staying in the good graces of the voter is apt to be the chief concern of the local judge.

Where judges are appointed, long tenure of office is the

⁸ For a graphic chart of the complex judicial structure of New York see the *Judicial Chart*, prepared by the Delehanty Institute of New York City.

⁹ See Arch Mandel, "Appraising Detroit's New Criminal Court," in *National Municipal Review*, Vol. X (November, 1921), p. 550.

¹⁰ An actual case of this nature is discussed in J. T. Salter, "A Philadelphia Magistrate Tells His Story," *National Municipal Review*, Vol. XXII (October, 1933), p. 514.

general rule; where they are elected, terms rarely exceed two to four years.

Salaries of municipal judges are usually shamefully low, and this, combined with the low prestige of the office, renders it almost impossible to secure the services of really worthy and successful men. In many small communities justices of the peace are paid solely on a fee basis. This, of course, makes for much corruption and loss of dignity on the part of the court. Judges conspire with peace officers in the establishment and maintenance of "speed traps" and other devices which do much to cheapen the office and lower the layman's conception of the workings of the law. In some cities the mayor may serve as a part-time judge, receiving a small additional compensation for such services. Where the position of judge is full time, salaries in smaller cities are relatively low, while those in larger cities are somewhat more substantial, running to five or six thousand dollars. The general run of salaries, however, is extremely low in consideration of the training needed and the responsibilities involved.

Beneath the judge in the court hierarchy is the prosecuting attorney. This office is by and large elective, and is usually held by a young and ambitious politician.¹¹ It is an office of great responsibility and authority, but its duties are often very poorly discharged. Qualification requirements for the position, as in the case of the city judge, are almost entirely lacking, and salary and tenure vary widely. In many instances the prosecutor is permitted to engage in private law practice, often to the detriment of his official duties.

The prosecuting attorney is charged with the preparation of criminal cases against violators of the law, the securing of witnesses, presentation of information to the grand jury, and many other functions. His powers are great, and his authority to enter a *nolle prosequi* enables him to have final say on what cases will finally go to trial. The vast amount of work which the prosecutor handles and the importance of adequate

¹¹ Raymond Moley, *Politics and Criminal Prosecution* (New York, 1929), Chap. IV.

records on each case make proper business management essential to the expeditious and fair discharge of the prosecutor's office. A number of years ago Dr. Willoughby wrote: "In no case, so far as investigation has thus far disclosed, has there been found a prosecuting attorney's office in which even the elementary principles of business organization and procedure are observed."¹²

Another important municipal judicial officer is the coroner, who is charged with investigating all deaths by violence and other deaths occurring under irregular circumstances. He sits as a court to determine the cause of the death and, if possible, the person or persons responsible therefor. The findings of the coroner's court are transmitted to the grand jury, who may indict the suspected criminal and hold him for trial. There has been considerable dissatisfaction with the office of coroner, and surveys have shown the incompetence and inefficiency of the officeholders, who should, by the very nature of their duties, be familiar at least with the fundamental principles of medicine and law. A report made in New York City showed that "of the sixty-five men who held the office of coroner since the consolidation of Greater New York, not one was found to have been qualified by training or experience for the adequate performance of his duties."¹³

The technical and clerical staffs of the city courts are usually appointed, although in some cities merit systems have been developed to put this work on a career and merit basis. In most cities, however, even where the merit system has been introduced, the jobs with the "largest salaries and the most prestige have largely been retained as appointive positions to be awarded to the district leaders and other faithful servants of the party in power. In few places does the spoils system find more fertile ground for exploitation than in the large metropolitan courts.

¹² W. F. Willoughby, *Principles of Judicial Administration* (Washington, D.C., 1929), p. 136.

¹³ L. W. Wallstein, *Report on Special Examination of the Accounts and Methods of the Office of Coroner in the City of New York*. Quoted in Willoughby, *op. cit.*, p. 418.

SOME DEFECTS AND SUGGESTED REMEDIES

Problems of Urban Justice. The administration of justice in a large modern city is a complex business. Why is this necessarily so? Dean Pound has admirably summed up the general problem of urban justice in his article appearing in the Harvard Law Review on "The Administration of Justice in the Modern City," which is in part as follows:

What, then, are the problems of the administration of justice in an American city to-day? I think we may recognize eight: (1) to work out a system of legal administration of justice which will secure the social interest in the moral and social life of every individual under the circumstances of the modern city, upon the basis of rules and principles devised primarily to protect the interest in general security, in the security of acquisitions and the security of transactions, at a time when these were best protected by securing individual interests of substance; (2) to organize the administration of justice so that there may be an efficient machine to dispose of the great volume of litigation in the modern city, to enforce the great mass of police regulation required by the conditions of urban life, and make the criminal law effective to secure social interests; (3) to make adequate provision for petty litigation in communities where there is a huge volume of such litigation which must be dealt with adequately on pain of grievous denial of justice; (4) to apply and enforce law in a community where furnishing a guide to the individual conscience is not enough, where it is often of more importance to enforce rules vigorously but intelligently than to insure that the rules made are the best possible, where, in other words, law requires sanction and must do much of the work of morals; (5) to apply and enforce law in a heterogeneous community, divided into classes with divergent interests, which understand each other none too well, containing elements hostile to government and order, containing elements ignorant of our institutions, on the one hand unable to understand our tenderness of individual liberty and on the other hand suspicious of authority and of magistrates; (6) to administer punitive justice in a community where the defective, the degenerate of decadent stocks, and the ignorant or enfeebled victim of severe economic pressure are

exposed to temptations and afforded opportunities beyond anything our fathers could have conceived, where the professional criminal and the promoter and the victim of commercialized vice must be reckoned with, — and this upon the basis of legal principles worked out for the occasional criminal, the criminal of passion, and the rough virile vice of a vigorous stock that lived out of doors; (7) to administer justice in relations of family life, where conditions of crowded urban life and economic pressure threaten the security of the social institutions of marriage and the family; and (8) to unshackle administration from the bonds imposed when men who had little experience of popular government and much experience of royal government, in their desire to have a government of laws and not of men, sought to make law do the work of administration.¹⁴

With these ideas in mind, we can more easily understand the defects which are so apparent in our urban judiciaries.

Selection of Personnel. One of the greatest defects in our judicial system is that of inferior personnel. Since a chain is no stronger than its weakest link, a judicial system can hardly be of higher caliber than that of the men who sit on the bench. The prestige and salaries of most municipal courts are so low that few men of real ability will accept a position on the municipal bench. Legal training, as has been noted before, is not required in many states for those holding municipal judgeships. These factors combine to leave the positions largely to political hacks who are rewarded for party service by election or appointment to the "inferior" courts. The wide prevalence of short-term elective judges makes these officials easily swayed by the whims of the voting public and those of the political boss. People of political influence have been known to brag openly about their ability to have a charge "fixed" through pressure on the judge. In New York City an investigation seemed to show that real nomination for municipal judgeships came not from the mayor, but from the district political leader, with the mayor's approval a foregone conclusion.¹⁵

¹⁴ *Harvard Law Review*, Vol. XXVI (February, 1913), p. 302. Section quoted is from p. 310.

¹⁵ Charles M. Kneier, *City Government in the United States* (New York, 1934), p. 414 and references there cited.

There seems to be little agreement concerning the best method for selecting judges. Advocates of elective judgeships have argued that such a system makes judges more responsive to new social conditions and new popular movements, and that in a democracy the judges, as final arbiters, should be made directly responsible to the people. This argument has some merit, but the question naturally arises whether the elective judges are more sensitive to the wishes of the people or to the wishes of the politicians who elected them and by whose grace they stay in office. In many cases, as has been noted before, the latter would seem to be the case. Also, under a short-term elective system, the judge at times will submit to popular passions, especially in criminal cases, and is apt to allow thoughts of re-election to crowd out any idea of fair and impartial conduct of the case at hand.

On the other hand, proponents of appointive judgeships believe that independence from political considerations is necessary for a fair and impartial judiciary, and that this condition can be obtained only by appointing judges for long terms or for life subject to good behavior. They differ as to where the appointing power should lie, some advocating the mayor of the city, some the city council, and others the governor of the state or the chief justice of the state supreme court. They all point with pride to the Federal judiciary as a case in point illustrating the merits of an appointive judiciary. Their opponents, however, observe that the appointing powers are not always moved by the loftiest considerations in making their selection, and that a body of appointed, life-tenure judges retards progress and perpetuates the views of a particular faction long after that faction is in popular disfavor.

Perhaps one of the best solutions of this dilemma is the plan now being used by several large cities. This plan provides that a judge, either appointed or elected, at the end of his term shall go before the voters with the sole question of whether or not he shall continue in office. There are no opponents, and the judge merely stands on his record. The practice of re-election is almost universal under such a scheme; but if

the judge lacks popular approbation, another must be elected or appointed to fill his place. This is one of several schemes for selection which the American Judicature Society proposes in their model metropolitan court act.¹⁶ The incompetence of the electorate to decide on professional qualifications of candidates is often given as a valid objection to this method.

The quality of the prosecuting attorney is likewise of great weight in determining the type of justice which a city administers. Through his power of *nolle prosequi* and indictment upon information, he exercises an almost determining power over what cases shall and shall not be tried. As has been mentioned before, the fact that the office is many times a steppingstone for the young politician on his way up the political ladder makes it extremely susceptible to political pressures. Motives other than those of seeking to administer justice may often influence public prosecutors, as has been frequently brought to the attention of the public.¹⁷

We must insist upon improvement of the business management in the office of prosecuting attorney, since the accuracy of the records contained in his office may make it possible to place blame and responsibility with greater accuracy. We should insist also upon greater co-operation between the prosecutor and the police, and upon elimination of the tendency of the politically ambitious prosecutor to make a "grandstand play" out of important criminal cases to the detriment of justice. But, as Dr. Willoughby says, "Conditions can never be satisfactory until there is an entirely new conception of the character and responsibilities of this office."¹⁸

In connection with the reform of the office of prosecuting attorney, it has been suggested that the somewhat antiquated machinery of the grand jury be eliminated and that indictments be handled solely through the office of the prosecutor. This is in line with plans to increase the all-round prestige and quality of the office of prosecutor. Moreover, Professor Moley has characterized the grand jury as "a mere rubber

¹⁶ American Judicature Society, *Bulletin No. IV-B* (Chicago, January, 1916), p. 23.

¹⁷ See Moley, *op. cit.*, Chap. IV.

¹⁸ Willoughby, *op. cit.*, p. 138.

stamp for the prosecutor, and a means by which he is able to escape specific responsibility for his actions." ¹⁹

Substitution of a real medical examiner, a physician with some knowledge of forensic medicine, for the coroner has been accomplished in the states of Massachusetts and New York and has been widely proposed elsewhere. This move has been brought about by the obvious inefficacy of retaining the office in the face of past performance.

The personnel problem extends not only to the municipal judge and prosecuting attorney but also to the administrative staff, upon whose efficiency much real justice depends. The administrative staff has been particularly bitterly attacked in New York City by a group called the City Affairs Committee in a bulletin entitled, "Our City's Courts: The Politician's Last Stronghold," published in November, 1938. The evidence of corruption and political manipulation here presented is very convincing and would seem to indicate a need for the reforms which the bulletin suggests.

As a remedy for this defect in the judicial structure, the extension of some type of merit selection to all court administrative posts and the making of court service into a career would seem desirable in many cities. The lack of *esprit* which is characteristic of municipal employees dependent upon political favor should be eliminated, and the employees given a more secure tenure in office.

Procedural Complexity and Costs. One of the greatest deterrents in the path of efficient judicial administration in the modern city is cumbersome machinery. R. H. Smith has subdivided the effects of this evil into three parts: (1) delay, (2) court costs and fees, and (3) expense of counsel. All three are largely attributable to outmoded legal procedures and customs which were developed to apply largely to the more important cases, but which legal conservatism has retained to the present day with application to small cases where they are tried summarily. ²⁰

¹⁹ Moley, *op. cit.*, p. 127.

²⁰ Reginald H. Smith, *Justice and the Poor* (New York, 1919), Chaps. IV, V, and VI.

Much of the delay in our city courts can be attributed to the lack of a sufficient number of judges to handle adequately the vast amount of litigation which crowds the city dockets. In far too many cases do we have courts of equal judicial standing where it is impossible for a judge from one bench to hear some of an overburdened colleague's cases even though he himself has little to do. Other delays arise from the right of the parties to appeal cases to a higher tribunal, from the inefficiency of prosecutors, from the complexities of procedural pleadings, and from many other causes. Justice must be swift as well as impartial; and much real injustice is done when offenders are allowed to remain for long periods unpunished, or when innocent men remain under the stigma of a lawsuit. Delay and uncertainty of punishment have caused one writer to remark that if Ali Baba's famous Forty Thieves were arrested in a modern American city, only six of them would have been punished.²¹

Injustice in our city courts also results from the high cost of the processes of law. In many cases involving small wage claims, for example, the court fees and costs may be larger than the amount claimed. The right of trial by jury must be paid for in most states by the persons claiming it. Lawyers' fees are necessarily prohibitive in many small actions. Serving of summons, witness fees, transcripts of testimony, and numerous other necessary but costly items of expense must be incurred. The net result of all this is that many persons who have legitimate claims against their employers, against usurers, landlords, and others will "settle out of court" for a fraction of what they deserve or refrain from taking any action at all simply to avoid the expense of litigation. And, sad to say, the small suitor many times actually profits in the long run by this injustice simply because his net receipts are greater than if he had braved court expense to recover his rightful claims. So the faithless employer, the usurer, and their kind are the beneficiaries of the present confusion in our municipal courts.

²¹ John W. Love, "Justice in the Stocks," *Survey Graphic*, Vol. I, p. 144, quoted in Moley, *op. cit.*, p. 27.

As R. H. Smith has said, "There exist today businesses established, conducted, and flourishing on the principle that as against the poor the law can be violated with impunity because redress is beyond their reach."²²

Many evils also have arisen around the institution of bail. Little effort is made by the court to ascertain the financial responsibility of bondsmen or to collect on judgments resulting from bond forfeitures. This laxness on the part of the judicial officers has given the criminal and his accomplices an easy way to flout the dignity of the municipal courts and avoid the consequences of the practice of "bail-jumping." The only answer seems to lie in broadening the court's discretionary power in granting bail and requiring strict financial accountability from all bondsmen. Judgments from bond forfeiture must be prosecuted with vigor, and payment demanded and exacted.

Nowhere do these evils make themselves more apparent than in the municipal courts; for it must be remembered that here the vast majority of cases are small, the suitors largely ignorant of legal practices, and the issues vital to the welfare of many workmen and their families who are dependent upon recovery of wages, protection from usury, and other legal remedies for their very subsistence. In 1938 Chicago's Municipal Court disposed of 107,440 civil suits, with money judgments averaging slightly more than \$100 in value.²³ This vast amount of small litigation shows the nature of the work of the large metropolitan court and the broad base upon which it acts. With such a scope of activity, the power of the court to shape the small individual's conception of justice becomes apparent, and the effects of the evils mentioned are magnified.

Need for Unification. From the above discussion it would seem that a rather complete reorganization of the structure and procedure of our municipal courts is in order. In recognition of this need many studies have been made. The American Judicature Society has been especially active in this field; and

²² Smith, *op. cit.*, p. 10.

²³ Municipal Court of Chicago, *Thirty-first and Thirty-second Annual Reports* (1937-38), gives statistics from which these figures are calculated.

the Cleveland Foundation's publication, *Criminal Justice in Cleveland* (1922), has pointed the way to many reforms in the field of criminal justice.

The movement toward unification of the city courts under an executive head is the most promising of the many proposals advanced. This has already been discussed with reference to the Chicago Court, which was a pacemaker in the field of unified judiciary. A constitutional amendment in Illinois in 1904 paved the way for the people of Chicago to eliminate the existing inefficient judiciary and substitute in its place a unified system. In 1906 the court was established with twenty-eight judges, who replaced the fifty-four magistrates and justices of the peace who had previously operated in the city.²⁴ The court was given the authority to formulate its own rules and immediately began to simplify litigation. Its extreme flexibility has enabled it to establish the new branches which have already been mentioned, to meet new problems, and to maintain a high record of promptness in spite of increasingly heavy duties.

Simplification of Procedure and Reduction of Costs. Many moves have been made to simplify procedure and reduce the cost of litigation in the municipal courts. Perhaps one of the most epoch-making was the authority given the Municipal Court of Chicago to make its own rules of procedure and to alter them by a majority vote of the judges of the court. An effort has been made there and elsewhere to simplify pleadings and to substitute summary proceedings before the judge unless a jury is demanded by one of the litigants. Some cities have reduced expense by trying cases before juries of six instead of twelve men where the litigants are willing.

Another economy move has been adopted in Cleveland, where summonses are sent out by the court in regular mail instead of by personal delivery by some official of the court. New York has not gone this far but permits service of summons by any disinterested citizen, who assumes the traditional role of the deputy of the court.

²⁴ Kneier, *op. cit.*, p. 411.

The most promising, and perhaps the most sweeping, innovation which has subsequently been adopted by other cities is the Cleveland Conciliation Branch, which is a part of the Municipal Court of that city. This branch, which was established by the efforts of Judge Manuel Levine and other public-spirited citizens, and presided over by the former for several years, is worthy of note.²⁵ A single judge presides, and the keynote of all proceedings is informality. The hiring of lawyers is discouraged, but not banned, in the trial of cases. The court is restricted to jurisdiction in cases of not more than \$35 in value. Summonses are sent by mail. The cases presented to the court are those involving small personal claims for wages, rent, and other minor items. But the issues are very real and vital to the litigants, and they often come prepared to battle to a finish. Under the guiding hand of the judge who, unbound by conventional rules of procedure, is free to lend a hand in the interests of justice, they soon "cool off" and present fairly their respective cases without the necessity of cross-examination and oratory by opposing counsel. Realizing the sense of fair play which prevails, unobscured by legal maneuvers, the litigants are usually willing to accept the judgment of the court. Appeal may be had but it is seldom taken.

A similar procedure has been tried with marked success in the Chicago Court, and its jurisdiction successively extended as its success has become apparent. Los Angeles has established a Small Claims Court which has also been successful. Judge Orfa Jean Shontz reports:

The many years of depression, the changes in the social order, and other factors have complicated the problems of litigation and increased the responsibilities of those who guide the administration of justice. In meeting the new conditions, in seeing to it that the poor man, and the poor woman, have an equal chance at justice with those who

²⁵ See the article by Judge Levine in *Bulletin VIII* (1915) of the American Judicature Society. For the historical background see also Herbert Harley's article in the same volume.

are better off, the Small Claims Court helps to give to people a new faith in law and in government.²⁶

Providing Legal Counsel. Lack of proper legal counsel was mentioned as another defect in the structure of the present municipal judiciary. In small civil cases the cost of hiring an attorney is prohibitive except where a shyster will take a case, hoping to blackmail the opposition into a handsome settlement or to extort a fee from the relatives and friends of his client. The type of counsel available to the small civil suitor or the petty criminal suspect consists largely of inexperienced lawyers or failures who hang around the courthouse hoping to pick up a fee. Assigned counsel in criminal cases is usually also of this inferior class, unless the crime has achieved wide publicity and a prominent lawyer wants to take the case on its publicity value.

In the civil field legal aid societies have been greatly extended in recent years. Almost any city of importance nowadays has its legal aid clinic, whether it be maintained by the local bar association, by a school of law, or by some other public-spirited agency. Its function, like that of a private attorney, is of two types. First, if the society believes that its indigent client has a case, it will attempt a settlement. Second, if no settlement is possible on a basis fair to both parties, the society will take the proper steps to file a case and will go to court in behalf of its client. In this way many actions which would otherwise have been neglected, many injustices which would have been tolerated due to the complainant's inability to engage counsel, are being brought to a fair settlement, either by mediation or by litigation. This does not interfere with the practice or the need of the established legal profession, for the legal aid society is almost entirely dealing with those cases which would never have been brought to a lawyer. Where it does take some slight business away from the profession, it is for the most part those small cases which successful

²⁶ Orfa Jean Shontz, "Speedy, Informal Justice of Small Claims Court Described by Judge," *California State Bar Journal*, Vol. XV (September, 1940), p. 273.

lawyers do not care to handle. The Bar appears to be solidly behind the legal aid movement and has been partly responsible for its spread.²⁷

In the field of criminal action, the move in many cities has been toward the appointment of a public defender, a full-time lawyer with a staff of assistants, whose sole function is to provide the indigent criminal suspect with proper legal counsel and defense. R. H. Smith has summed up the case for the public defender in the following words:

The case for the defender rests primarily on the fact that such an office performs an essential function in the administration of justice more efficiently, more economically, and with all-around better results than any other plan. The increased efficiency can readily be appreciated. It is apparent that, if other factors are anywhere near even, the attorney who devotes all his time to criminal work is more familiar with the law and the details of procedure than the attorney who is occasionally assigned a case. Centralization of work makes specialization possible. The office learns the easiest method of conducting the work, it develops its own staff of investigators, and knows the proper authorities to consult as points arise. The defender becomes an expert in criminal law just as we have experts in patent, or mining, or corporation law. The result is the same as the greatly increased efficiency in caring for the civil cases of the poor which has resulted from centralizing all such work in a well-organized legal aid society.²⁸

Along with the above devices, the up-to-the-minute municipal courts are today drawing in increasing volume upon the sciences of sociology and psychology as necessary adjuncts to a real judicial system. Criminals in our larger cities, like Chicago and Philadelphia, are thoroughly examined in a psychiatric clinic and reported upon before the judge ever hears the case. Likewise many municipalities have worked together with social agencies, preparing reports on the home

²⁷ On the subject of legal aid, see Smith, *op. cit.*, and Vol. 205 of the *Annals of the American Academy of Political and Social Science* (September, 1939). This volume contains many articles of present-day value.

²⁸ Smith, *op. cit.*, p. 119.

and family conditions of all criminals brought in for judgment. With this data, the judge is able to decide each case on issues broader than mere factual evidence and the rules of law. While the latter may determine whether or not the crime has been committed, the action of the judge in imposing sentence may be in contemplation of the impelling motives and possible rehabilitation of the criminal.

A VIEW TOWARD THE FUTURE

Modern municipal justice has come a long way since the days when the borough council sat in judgment upon the lawsuits of its community. Cities have expanded, and jurisprudence has had to expand with them. Law has become so complex that the cry for simplification, heard from many quarters, is impelling. Corruption and the growth of political machines have posed questions in the choice of competent judges. New devices have had to be developed to meet the ever-widening scope of judicial action. The development of the social sciences has placed new tools in the hands of the judge and court officials, and has given them more and more data upon which to base decisions.²⁹

The ultimate goals in the administration of justice are perhaps not yet in sight. In many instances corruption prevails over justice, and in many others our courts are ill equipped in knowledge and ability to discharge their all-important task. But progress is being made by the legal aid societies, by the public defenders, by the many organizations for the improvement of justice and by the bar associations, all aimed toward the day when the courts of every American city will be open and ready to dispense justice to all its people.

²⁹ For a good treatment of municipal as well as traffic courts, see George Warren, *Traffic Courts* (Boston, 1942).

Reporting to the Public



IT SEEMS fitting to conclude a work of this nature with a chapter treating of the topic "reporting to the public," or perhaps the term "public relations" is more in keeping with the approach taken and the subject matter to be presented.

American city government has come to play far too important a role in the lives of our citizens to go unnoticed. Not only have cities increased in numbers and grown in size, but as we have noted, their services to the public have likewise multiplied. This means more confusion for the citizen in regard to municipal affairs unless care is taken to simplify his task of understanding it all.

Democratic government is based upon the premise that the citizens are capable of self-government. Public reporting, therefore, bids fair to become one of the essentials of democratic government, since the prudence of the electorate in political matters depends so largely on the reliability of the information on which the citizens' judgment is based. In a democracy the individual is more than a spectator; he is actually one of the actors. Therefore, if we are to accept the right of the people to govern, it would seem to follow logically that they be properly informed regarding all matters involved in the process of government.

As a matter of fact, since the citizen elects the officials, uses the services, and pays the taxes by which city government is financed, he has a right to be informed regarding its affairs.

A democratic system is one in which the individual is furnished with the machinery for self-government. Public reporting makes available to the citizen facts relative to the operation of his government, thereby making it possible for him to control and operate the machinery of government intelligently.

Defined broadly, public reporting includes not only the procedures for furnishing facts and information to the people, but also the means for creating and sustaining a public interest in governmental affairs. John M. Pfiffner classified governmental reports into the following three general categories:¹ (1) administrative reports — those prepared for use of the administration; (2) technical or professional reports, as the printed decisions of various boards or commissions; (3) those reports which consist of a rather wide variety of mediums for informing the citizen of governmental results with a minimum of effort on his part. While it is the third type of report, according to the above classification, which is our immediate concern, a close analysis reveals that the apparent lines of demarcation among the three groups tend to become dim and that one class shades off into the other.

Upon what agency or agencies may the citizen depend for reliable information regarding his city government? What organizations desire to create and maintain an interest in municipal government? In some of our larger cities these services are performed in part by bureaus of municipal research, and in some states various state departments collect and publish data relative to local government. Also, in many cases, state leagues of municipalities, taxpayers' associations, good government leagues, and various other civic groups perform public reporting services. Even though all of these sources are available, the individual should feel that he may depend directly upon his local government for information about itself, since the above-mentioned sources of information are supplementary rather than primary.

¹ John M. Pfiffner, *Public Administration* (New York, 1935), p. 472; for a more extended discussion of public relations, see revised edition (New York, 1946), Chapters 34, 35, 36, and 37.

In case the responsibility for public reporting rests on the city itself, some provision should be made for an agency within the municipal organization to perform the function. Haphazard methods by which the department heads make infrequent reports without reference to a well-thought-out plan or procedure do not produce the best results. Under such circumstances, public reporting depends upon the whims of those who happen to be in charge of the various agencies of city government, and is not regarded as a definite duty to be regularly performed. Departmental heads seldom have the ability to prepare properly information for public consumption. As a matter of fact, no duty is likely to be properly performed unless both the authority and the responsibility for its exercise are placed upon a single individual. It is quite obvious, therefore, that some city official or agency should be definitely charged with all reporting activities. This person or agency should direct all current reports, prescribe the form of and edit the various departmental reports, and prepare the annual consolidated report. In the larger cities the person responsible for public reporting should be attached to the office of the mayor or the city manager. Smaller cities may desire to name the mayor, manager, or secretary as the reporting officer.

An integrated reporting agency has the added advantage that the public, the city council, and the municipal administration itself have one person or agency whom they may hold responsible for the accuracy of reports. Exactness of information should be foremost in the preparation of all such reports, and under no circumstances should political propaganda be resorted to in these accounts.

OBJECTIVES OF MUNICIPAL REPORTING

The primary aim and objective of municipal reporting is to provide the general public with reliable information regarding the activities, work, and results accomplished by the city government. In a private corporation, reports of various sorts are made to the stockholders at specified intervals by the governing body of the organization. To use an analogous

situation, the municipal corporation is under the same, if not a greater, obligation to its many stockholders to furnish a complete report of its work. To express it more forcefully, one of the main purposes of municipal reporting is the furtherance of a public audit of the conduct of city activities.²

Public reporting may be used as a means of improving administration. Nothing is more conducive to the development of good administration than a realization by the personnel of the staff that the public will learn of its work and hence hold it strictly accountable.³ An administration which demonstrates no consideration or respect for the public is seldom rewarded with the support of that public. And a government which is not favored by the citizen will be unable to attain the best results over a period of years.

In addition to fixing responsibility upon the administration, another object or purpose served by public reporting is that of promoting greater civic education and greater interest in local government. If a city administration is to be kept modern and up-to-date, equipped to meet the ever-changing demands which are made upon it, there must be a civic-minded populace which will accept responsibility and effect such changes as are necessary to make that possible. Just as the development of a general educational program plays an integral part in the growth of an improved civilization, so it is that civic education is an inherent factor in the evolution of a more scientific municipal government.

In addition to those objectives of public reporting mentioned above, there are other factors which should not be overlooked. Some of these are: (1) favorable reports increase the prestige of a public office; (2) constant reference to a service tends to raise standards of performance; (3) reporting provides a method for the exchange of ideas among officials and various departments and services; (4) reporting facilitates research, which in turn brings about better administration

² H. C. Beyle, *Governmental Reporting in Chicago* (Chicago, 1928), p. 1.

³ Elton D. Woolpert, "The Meaning and Scope of Public Relations," *Public Management*, Vol. XXI, No. 9 (The International City Managers' Association, September, 1939), p. 260.

and fosters a wider interest in public affairs. Viewing these functions as a whole, it seems that they all lead to one primary end, namely, a closer and a more effective working relationship between the municipal administration and its stockholders.

WHAT IS HAPPENING?

It was not until the turn of the century that any appreciable interest was aroused in the processes and methods of public reporting. Even then, as a matter of fact, it was decidedly subordinated to the consideration of other governmental problems, such as budgeting, accounting, auditing, purchasing, and the like. Consequently, municipal reporting has more often than not been pushed into the background as one of the unsolved governmental problems.

When government and its agencies were less complex, the need for reporting was less urgent. The personal contact which the average citizen had with his local government was great enough to reduce somewhat the need for a formal reporting system. But the lapse of time, with its attendant economic and political changes, has brought about a decidedly different situation. The relationship existing today between government and the citizen is often so highly impersonal in some cases and so technical in others that public reporting is not only desirable, but highly necessary.

Coupled with a changing environment, sight should not be lost of the fact that the American public has on the whole been rather dilatory regarding its demands with reference to public reporting. As a result, it has been permitted to drift along the sea of indifference until recent years. Now it has come to be the consideration not only of students and administrators, but also the regard of a portion of the citizenry as well. Obviously, the sin of neglect has been one of the greater barriers in the attainment of scientific reporting on the part of American cities. The lack of foresight and initiative on the part of administrators has resulted in neglect even in the preparation of annual reports. According to The International City Managers' Association, only 140 cities sent in annual reports during

1945. About one-third of these were limited in the main to financial data, leaving 96 reports that presented information on all or most city activities. In 1944 there were 103 general reports received, and 97 in 1943.⁴ This extremely small number is further emphasized when one realizes that there are 2042 urban areas with over 5000 population.⁵ This does not take into account those urban communities of less population. Nevertheless, it is to be recalled that these figures apply only to formal annual reports and to no others. Many cities undoubtedly utilize various methods of informal reporting, and hence it would not be correct to state that they indulge in no form of reporting. Nevertheless, the neglect by so many cities of preparing annual reports is indicative of the seriousness of the problem, which demands attempted solution.

FORMAL REPORTING

Within the past few years there has been a definite trend toward an increase in the number of cities issuing formal reports. In 1934, 47 cities prepared annual reports which marked an all-time record in municipal reporting.⁶ For the following six years, the number of cities issuing reports was as follows: 1935, 55 cities;⁷ 1936, 74 cities; 1937, 81 cities; 1938, 101 cities;⁸ 1939, 89 cities;⁹ and 1940, 90 cities.¹⁰ The all-time high was reached in 1941 when nearly 200 annual reports were received by The International City Managers' Association, and since that date the number has ranged from 150 to 175.¹¹ The over-all trend seems to indicate that increased

⁴ J. Fred Rippy, Jr., "How Cities Are Keeping Citizens Informed," *Public Management*, Vol. XXVII (March, 1946), p. 75.

⁵ *The Municipal Year Book*, 1946 (The International City Managers' Association, Chicago, 1946), p. 29.

⁶ Clarence E. Ridley, "Annual Appraisal of Municipal Reports," *National Municipal Review*, Vol. XXIII, No. 1 (January, 1934), p. 35.

⁷ *Ibid.*, Vol. XXIV, No. 1 (January, 1935), p. 26.

⁸ Herbert A. Simon, "Municipal Reporting," *The Municipal Year Book*, 1939, p. 39.

⁹ Clarence E. Ridley, "Municipal Reporting," *ibid.*, 1940, p. 248.

¹⁰ Iglauer, "Annual Municipal Reports — 1940 Style," *ibid.*, 1940, p. 323. This figure includes only those reports received by The International City Managers' Association prior to Nov. 1, 1940.

¹¹ See "Municipal Reporting" in *The Municipal Year Book* for the years

attention is being devoted to public reporting by city administrations.

With the increase in the number of formal reports, there has followed simultaneously an improvement in their physical appearance. Their size, too, has tended to become standardized, with six by nine inches the most popular. The length of these reports has also undergone a change; for instance, in 1945 the number of pages varied from 5 in one case to as many as 352.¹² Very few of these reports were less than 24 pages in length, and most were between 35 and 50 pages.

Factors other than size should be considered in the physical make-up of a municipal report. The questions arise as to whether or not they should appear in printed or mimeographed form, as to the format, the quality and color of paper, in what form the facts and materials should be presented, and like matters. In a great majority of cases, formal reports are being printed; on the other hand, there are some instances where mimeographed reports are being used. The number of mimeographed reports tends to remain constant, or perhaps to increase slightly due to the many improved methods and techniques which have recently developed in the mimeographing process. Very recently, still a third method of presenting reports has come into use, namely, the hectograph process. Being somewhat new and untried, only three cities are reported to have used it in 1945.¹³ By and large, the average municipal report today is printed, bound in an attractive cover, filled with appropriate photographs, charts, and graphs, presenting on the whole an attractive and popular appearance. The commonly accepted features are: a departmental summary of activities, a directory of officials, financial data, and a summary of highlights and achievements.

The report itself is prefaced with a brief letter of transmittal, signed by the mayor or manager, which is usually followed by an organization chart of the city. A study of the reports indicated; also see Richard H. Caster, "Trends in Reporting to the Public," *Public Management*, Vol. XXIX, No. 2 (February, 1947), pp. 40-43.

¹² Ridley, "Municipal Reporting," in *ibid.*, 1946, p. 242.

¹³ *Idem.*

issued in 1945 showed that the organization chart is being more widely used by cities of more than 25,000 population.¹⁴ The chart is frequently being displaced by a directory of the more important municipal officials, both council members and departmental heads. Following the introductory material, there is usually some treatment of department activities as well as a brief and simple financial statement. Much use is being made of graphs and pictures, and on the whole these reports are very attractive and readable. A good percentage of the reports show municipal expenditure for each activity, either in the form of tax rate for the individual activity, percentage of the total city budget, or percentage of the tax dollar. In general, however, their contents have failed to present an adequate account of the activities and services of the city. Often they do not contain the facts and figures which will enable the citizen to evaluate his government, nor do they indicate or note services which are being administered at a minimum of cost. The fact that these questions too frequently remain unanswered indicates a need for some improvement in municipal reporting.

While there are many new methods of reporting, and cities employing them lack a guide to direct their efforts, Mr. Clarence E. Ridley has formulated some definite standards which should be of use both in appraising reports already issued and in preparing new ones. These criteria are as follows:¹⁵

I. DATE OF PUBLICATION

1. *Promptness.* — The report will have little value unless published soon after the end of the period covered — six weeks as a maximum.

II. PHYSICAL MAKE-UP

2. *Size.* — Convenient for reading and filing, preferably 6" × 9".
3. *Paper and type.* — Paper should be of such a grade and the type of such size and character as to be easily read.

¹⁴ *The Municipal Year Book*, 1946, p. 240.

¹⁵ Ridley, "Annual Appraisal of Municipal Reports," *National Municipal Review*, Vol. XXV, No. 1 (January, 1936), p. 28.

4. *Important facts.* — The more important facts should be emphasized by change of type or by artistic presentation.

5. *Attractiveness.* — The cover, title, introduction, and general appearance should aim to attract the reader and encourage further examination.

III. CONTENT

A. *Illustrative Material*

6. *Diagrams and charts.* — Certain established rules should be followed to insure an accurate and effective presentation.

7. *Maps and pictures.* — A few well-chosen maps to indicate certain improvements, and a liberal supply of pictures, pertinent to the report, should be included.

8. *Distribution.* — Great care should be exercised in placing the illustrative material contiguous to the relevant reading material.

B. *Composition*

9. *Table of contents.* — A short table of contents in the front of the report is a great aid for ready reference.

10. *Organization chart.* — An organization chart or table indicating the services rendered by each unit, if placed in the front of the report, will help the reader to a clearer understanding of what follows.

11. *Letter of transmittal.* — A short letter of transmittal which either contains or is followed by a summary of outstanding accomplishments and recommendations for the future should open the report.

12. *Recommendations and accomplishments.* — A comparison of past recommendations with the progress toward their execution will serve as an index to the year's achievements.

13. *Length.* — Fifty pages should be the maximum length.

14. *Literary style.* — The text should be clear and concise, reflecting proper attention to grammar, sentence structure, and diction.

15. *Arrangement.* — The report of the various governmental units should correlate with the organization structure, or follow some other logical arrangement.

16. *Balanced content.* — The material should show a complete picture, and each activity should occupy space in proportion to its relative importance.

17. *Statistics.* — Certain statistics must be included, but wherever appropriate, they should be supplemented by simple diagrams or charts.
18. *Comparative data.* — The present year's accomplishments should be compared with those of previous years, but only with full consideration of all factors involved.
19. *Financial statements.* — Three or four financial statements should be included, showing amount expended and the means of financing each function and organization unit.
20. *Propaganda.* — It is unethical and in poor taste to include material for departmental or personal aggrandizement. Photographs of officials, especially of administrators, seem out of place in a public report.

The number of copies of the annual report which are prepared and distributed naturally varies considerably from city to city. In 1945 the range was from one report to every five citizens in Cambridge, Massachusetts, to one for every 234 in Pasadena, California. On the whole, the typical cities of less than 10,000 population have a greater number of reports for distribution in proportion to their population than do the larger ones. The median figure for this group for the year of 1945 was one copy for every four people.¹⁶

Many and varied means are employed to distribute these reports; however, most cities use the United States mail for so doing. When reports are mailed, some cities send copies only to those persons requesting them. Other municipalities make use of their employees for distribution purposes, the firemen and policemen being commonly used for this purpose. In certain instances the Boy Scouts and hired deliverymen are used. Perhaps a more novel plan for distribution is that employed by Schenectady, where a copy of the annual report is given to the citizen when he pays his city taxes.¹⁷ Closely aligned with the practice in Schenectady is the method used by some cities where copies are placed in conspicuous places

¹⁶ *The Municipal Year Book*, 1946, p. 241.

¹⁷ "News of the Month," *Public Management*, Vol. XXII, No. 1 (January, 1940), p. 23.

in the city hall. Other cities mail a copy of their annual report with each tax bill, insuring a copy to each eligible taxpayer.

A recent means of distribution is that of providing copies of the report for various civic organizations, or placing them in prominent places other than the city hall. Rochester and Cincinnati in 1940 sent copies of their annual report to all doctors' and dentists' offices, with the request that they be placed in the reception rooms. Evanston, Illinois, went one step further; in addition to doctors' and dentists' offices, copies were sent to all barber and beauty shops in the city.¹⁸ In a few cities, local newspapers publish the reports in serial form before the bound report is issued. This tends to arouse interest in the forthcoming report.¹⁹

Of primary importance is the date of distribution for the annual reports. How long after the close of the period to which the report applies should it be placed in the hands of the public? No definite answer to this question can be given. In 1945, a majority of the cities issuing annual reports distributed them three months after the close of the period under consideration. Approximately one-third of them issued their reports after two months, a very small number required only one week, while a few did not get them to the people for nine or ten months after the close of the fiscal year. Surely these reports should be completed and issued as near the end of the financial year as possible.

INFORMAL REPORTING

The annual report is the central point about which other means of municipal reporting revolve. As a matter of fact, the infinite number of informal reports and the various reporting channels now in common use might more accurately be described as part of a system of public relations; but the origin of many of these may be traced to the annual report.

It is not uncommon today for cities to mail leaflets with

¹⁸ Iglauder, *op. cit.*, p. 326.

¹⁹ J. Fred Rippey, Jr., "How Cities Are Keeping Citizens Informed," *Public Management*, Vol. XXVI (February, 1944), p. 37.

their tax or utility bills, informing the citizens on some particular subject of interest or importance, such as a proposed public improvement or expenditure or budget requirement, or perhaps attempting to compare the cost of certain municipal activities with ordinary household expenditures. For example, in 1938 the City of Morgantown, West Virginia, issued a circular whereby an attempt was made to give for each activity the total amount allotted, the percentage of the total, the cost per capita, and comparisons of annual per capita cost of services with cost of commodities.²⁰ In this particular instance, a comparison of cost of service with cost of a commodity revealed the surprising fact that the cost and maintenance of city parks amounted to the cost of two cabbage heads per capita.²¹ Kansas City, Missouri, follows the practice of mailing out illustrated leaflets with her tax bills; Two Rivers, Wisconsin, uses the back of these bills for brief articles on city administrative problems and practices; and Oglesby, Illinois, issues a series of monthly, one-page circulars on such subjects as zoning, planning, and electric rates. Many other cities employ similar practices.²²

In lieu of mailing leaflets, many cities prefer to print pamphlets or handbills, and have these distributed to homes and places of business throughout the city. These leaflets or circulars bear different titles, but a general idea of their headings may be obtained from a 1940 circular issued by Atlanta, Georgia, entitled "The Investment of Your City of Atlanta Tax Dollar," or a 1944 Springfield, Massachusetts, pamphlet bearing the title "Our Home Town."²³

A more recent development is the commonly known municipal open house, or the municipal exposition. Ordinarily these affairs are held in the city hall or auditorium, where various exhibits of departmental activities are displayed and

²⁰ "What American Cities Are Doing," *Public Management*, Vol. XX, No. 3 (March, 1938), p. 91.

²¹ *Ibid.*

²² See *Public Management*, Vol. XXIV (January, 1942), p. 36; also *ibid.*, Vol. XXVI (February, 1944), p. 39.

²³ "News of the Month," *Public Management*, Vol. XXII, No. 11 (November, 1940), p. 337; *ibid.*, Vol. XXVI (December, 1944), p. 370.

where other forms of activity, social as well as educational, are provided. Berkeley, California, has been a pioneer in conducting municipal open houses. Here it is an annual affair and has been conducted by the city for the past ten years. The tenth one was attended by 12,000 persons; and in addition to providing various demonstrations and exhibits of city activities, there were also presented a variety of entertainments, varying from concerts by local bands, dances, and musical numbers presented by the recreation department to motion pictures depicting the functions of the various departments. Both Denver and Kansas City have used the "open house," and with good results.²⁴

Columbus, Georgia, has carried out the idea of publicizing municipal activity by staging a parade of city services before its citizens. In 1939 the spectacle was nothing short of gigantic, as well as spectacular. According to City Manager Morton, 215 public works department employees paraded in uniform and with equipment — also 70 policemen, 61 firemen, approximately 130 doctors and nurses, all recreation department employees, together with some 125 vehicles of various descriptions, and 200 or more posters carrying data concerning the city government.²⁵

Recent advances in research and new techniques have not only effected changes in the physical environment of the city, but have in addition created valuable tools as aids to a multitudinous variety of processes. Municipal reporting is no exception to the rule. For instance, the radio came into being out of a search for a more efficient method of communication, but soon became widely used in the fields of education and entertainment. A few of our cities have maintained broadcasting facilities for a number of years, and some of them have utilized

²⁴ Elmer C. Rowley, "12,000 Citizens Attend Open House at Berkeley City Hall," *Public Management*, Vol. XX, No. 5 (May, 1938), p. 151; also J. L. Gambrell and H. A. Levin, "Kansas City's Municipal Show," *National Municipal Review*, Vol. XXXI (April, 1942), pp. 212-214; *Public Management*, Vol. XXV (February, 1943), p. 59.

²⁵ Marshall Morton, "City Services Paraded Before Citizens," *Public Management*, Vol. XXI, No. 9 (September, 1939), p. 278.

their stations to advertise municipal activities. For example, Station WNYC, for New York City, as early as 1927 devoted nearly a thousand hours to informational and educational subjects of civic interest.²⁶ Dallas, Texas, has owned and operated its own station since 1920, and has many broadcasts of a reportorial character.²⁷ It should also be noted that cities not owning their own stations may stage programs over privately owned ones. However, in a recent survey made by The International City Managers' Association, only five cities were using the radio or movies in reporting municipal activities to the citizens.²⁸ The decline in the use of this medium of reporting has been rather marked in recent years.

There are almost as many different varieties of radio programs as there are cities using them. Some are entirely devoted to a presentation of facts concerning city activities and are conducted primarily through addresses, round-table discussions among various city officials, and personal interviews among members of the city personnel. On the other hand, there are other city administrations who realize that if a radio program is to be well received by the public, it must be entertaining as well as informative, and hence have proceeded to include concerts and dramatizations in their broadcasts.

Another device for public reporting is the motion picture, which became popular for this purpose in 1933. In that year the City of Detroit encountered considerable difficulty in collecting its current taxes, and as a result, a contract was let with a local newsreel company to make short pictures of municipal activities and to show them at local theaters along with the regular newsreels.²⁹ The results in this particular case were favorable, and tax payments picked up considerably. The result in part no doubt was due to the showing of the film.

²⁶ Wylie Kilpatrick, *Reporting Municipal Government* (Municipal Administration Service, 1928), p. 55.

²⁷ There are three cities in addition to New York and Dallas owning and operating their own broadcasting stations. These are: Camden, New Jersey; St. Petersburg and Jacksonville, Florida.

²⁸ See *The Municipal Year Book*, 1946, p. 242.

²⁹ John Devine, "Municipal Activities in Movies," *Public Management*, Vol. XXI, No. 3 (March, 1939), p. 67.

From that time to this, the impetus for municipal motion picture reporting seems to have gained some momentum. However, its use at present would not appear to be extensive. In 1943, East Cleveland, Ohio; Winnetka, Illinois; Milwaukee, Wisconsin; and Teaneck, New Jersey, used films in reporting their activities to the public.³⁰ Picture consciousness on the part of the public no doubt will encourage cities to make more use of films in reporting their activities in the future.

Aside from the more tangible methods of informal reporting, there occur a number of incidents which transpire in the everyday operation of the city which may be used as a means of informing the citizen about his government. These may not ordinarily be thought of in connection with reporting, but in the final analysis they are processes and relationships whereby opinions and attitudes are crystallized in the mind of the average individual regarding his government. Take, for example, the matter of budget hearings. Cities in most states are required by law, as a part of the budget-making process, to hold public hearings at which taxpayers may protest items appearing therein. Unfortunately, statutory provisions for a hearing do not serve as a great incentive for popular action; and for the most part budget hearings are poorly attended.

In practically every city, town, and village in this country, there exists a current means of public reporting, and in most instances it is utilized at least to a degree. This is the newspaper. The local paper, whether it be weekly or daily, has completely embedded itself into the everyday life of the average American. While recent years have brought into being other effective news-gathering and distributing agencies, the newspaper remains widely read by the American public.

City governments are constantly in contact with the representatives of the local press. Sometimes this relationship is one of mutual understanding and co-operation; at others, it is one of discord and rivalry. On occasions, the attitude of the local

³⁰ Rippy, "How Cities Are Keeping Citizens Informed," *Public Management*, Vol. XXVI (February, 1944), p. 39.

paper may be purely negative. The only headline space enjoyed by the city is when some corrupt municipal practice is aired or a scandalous story breaks. The story of a public improvement or a new municipal activity may be placed on the back sheet or inserted in some inconspicuous place in order to complete a printed page.

But the fault must not all be placed upon the reporter or editor. Far too often the city reports a set of facts without giving the reasons or developments behind them. The net result is an inadequate news presentation. It is not uncommon for the story to be given out by officials who have little understanding of newspapers and news values, and written by reporters who know little about public administration or civic values.

For years some city executives have realized the importance of the press and its effect upon the conduct of municipal government; consequently, they have taken progressive steps to improve relations between the city hall and the printing house. So long as the majority of our city managers continue to consider local newspapers the best method of public reporting, every effort should be made to improve it.³¹ This can only be brought about by the concerted effort of the newspaper, the city administration, and the public.

Much has been spoken and written regarding the unprecedented growth of public education in this country. While this is no doubt true, on the whole it would seem that until the last few years little effort was exercised to bring the school and the city administration together in a way that would benefit both. Heretofore, city officials have on occasions addressed various school groups under more or less formal conditions. It should not be inferred that such speeches are of little value, but all too frequently they approach the typical political or social address — oratorical in nature, filled with pomp and splendor, but lacking in the information which the young person desires. This is especially true in the case of our sec-

³¹ "How City Managers Maintain Contact with the Public," *Public Management*, Vol. XVI, No. 10 (October, 1934), p. 308.

ondary schools; where college and university students are addressed by local officials, the results are generally far different.

Perhaps a better method of informing young people of municipal activities is that of permitting them to visit city offices during business hours and seeing government in action. It is not uncommon to find a high school teacher who takes the students to the city hall for an instructed tour. Such visits are little more than appreciation or get-acquainted tours, but they serve a worthy purpose and should be encouraged. It is true that results are more quickly noticed when such opportunities are made available to students of the college level. They are better equipped to examine and understand the technical as well as the more obvious practices of city administration, and in addition there is usually a closer relationship between the faculty of the college or university and the municipal personnel than is the case with the personnel of institutions on the lower educational levels. Of no slight importance is the fact that many of these young people will soon enter the employ of the city; or if not employees, will at least be taxpayers. Such activity tends to create and promote a spirit of interest and co-operation on the part of the young people with regard to their city government.

The local schools may be used in a number of ways by the city administration as a means of promoting better public relations. Often we find such organizations as school patrols, composed of school children who are instructed and supervised by members of the city police staff in handling traffic in the proximity of their schools. Or in many of our cities there is a day set aside by the council on which the school children are permitted to take over city affairs. They occupy the offices at the city hall for the day, and are shown the "why's and wherefore's" of city administration. Far less common than school patrols or officials for the day is the practice of distributing copies of the annual city reports to the public schools for use in the library, or in civics or history classes.³² These are

³² See *Public Management*, Vol. XXVI (February, 1944), p. 37.

only some of the innumerable ways in which the schools may be used to publicize and instruct in municipal activities.

The schools are not the only extra-governmental agency through which the city may publicize. There is a veritable multitude of civic clubs, boards, organizations, and committees to be found in every urban community. City officials are constantly appearing before and working with such organizations as the Chamber of Commerce, Lions Club, Kiwanis Club, Rotary, League of Women Voters, Safety Council, and a host of others. The city administration, therefore, may reach through various civic organizations, or schools, its entire population, regardless of age, class, or sex.

The constant operation of any city government naturally brings its personnel into everyday contact with the public. These contacts arise from the operation of service functions, as well as protective or regulatory activities. Through their dealings with firemen, policemen, inspectors, or other officers at the city hall, either through direct contact, correspondence, or telephone, the public is brought face to face with the workings of its city. The municipal officer or employee should always keep this in mind, and should realize that his every action — the interest he shows in the citizen, the quality of information he gives him, his speech, politeness, and appearance — is under constant observation. To sell the city administration, the city representative must first sell himself.

At this writing, several cities are training their contact employees in public relations work. For instance, Jackson, Michigan, is conducting ten two-hour discussion sessions for three groups of employees. Kansas City has started a comprehensive program. Pasadena and San Diego also are giving attention to the training of their public contact employees.

Public reporting is a means toward an end; it is a tool to be used. It rests upon the belief that the public does not have an opportunity to learn the facts about its government, rather than upon the assumption that it does not care about learning them. Government is, after all, a co-operative enterprise in which certain persons are employed by their fellow citizens

to perform various duties and bear certain responsibilities. The citizens are, in effect, the owners and employers; the officials or employees are but servants. It is the duty of the latter to follow the wishes of the owners, to guard their interests, and to keep them informed regarding the results.

MEASURING PERFORMANCE

This volume would not be complete without a word in reference to means and methods of appraising the city administration. Back in 1922, Charles E. Merriam wrote an article entitled "The Next Step in the Organization of Municipal Research," and one year later Lent D. Upson published a study on "The Other Side of the Budget." Those were soon followed, in 1924, by an article under the authorship of A. E. Buck, on "Measuring the Results of Government." In the February, 1937, issue of *Public Management*, Clarence E. Ridley and Herbert A. Simon began a series of articles dealing with the measurement techniques of various municipal activities.³³ During recent years there has been an increasing demand on the part of administrators, and to some degree the general public as well, for a definite set of standards or measurements whereby the effectiveness of the governmental machine might be judged.

A number of standards are used in appraising any municipal administration. The difficulty, however, is in finding a true measuring rod. The tax rate, for instance, is sometimes used as a criterion; but of what value is this unless one knows the basis of assessment and, in addition, the various sources and the percentage which each contributes to the total municipal income? Neither is the knowledge of the total sum expended of much value unless one is aware of how this money has been

³³ This series of articles presents one of the most comprehensive and complete treatments of the subject to be found; also see H. A. Simon, "Recent Progress in Measuring City Activities," *Public Management*, Vol. XXV (September, 1943), pp. 261-266. Here the author treats of recent developments in measurement techniques in fire protection, police protection, public works, health, recreation, welfare, education, and libraries. He points out that in the fields of finance, personnel, and planning the difficulty of measurement is greatest and that little progress has been made in these three during the last five years.

spent and has an analysis of the purchases made. A better understanding as to how the money is expended may be obtained when the totals are broken down into personal services, commodities, properties, and the like. Let us suppose personal service is further broken down; more meaning is given when one knows the number of man-hours spent as well as the total dollars used. When the total man-hours are broken down and analyzed as to how they were spent, we add to our understanding; but, even so, one is unable to know how well the work is done and whether or not the end was obtained in the way desired.

This brings us to the crux of the matter, namely the task of defining objectives. This is one of the most difficult problems in the entire field of measurement. Not many municipal departments or services have their objectives definitely defined; and in case they do, the terms used in so doing are frequently indefinite, intangible, and subject to varying interpretations.

As one goes further in attempting to establish standards for measuring administrative performance, one finds that such local differences as climate, weather conditions, topography, and cultural background must be taken into consideration. Comparisons of service costs among different cities are of little value unless the conditions prevailing in the cities compared are considered. Or, to compare the cost today of providing an unknown number of different services with the cost some years ago of providing a smaller, but equally unknown, number of services is of little value. Again, there are always such imponderables and variables as personnel and the ever-changing value of the American dollar. These difficulties are so real that the development of standards of measurement is little short of arduous. But despite the difficulties involved, some obstacles have been overcome and some progress made.³⁴

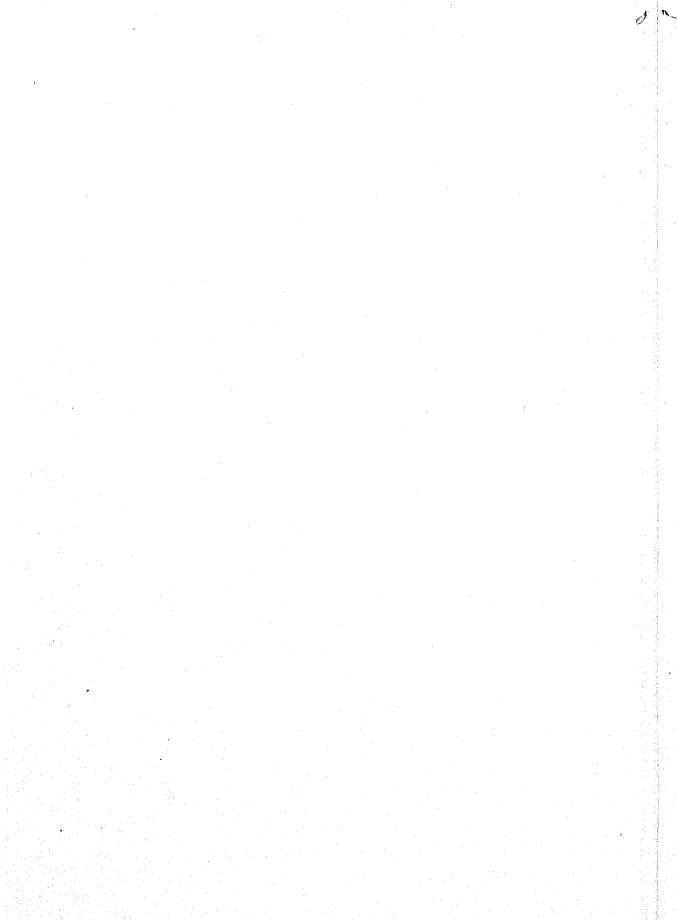
As stated above, the standard or measuring rod may be

³⁴ For a good treatment of the problem involved, see Thomas H. Reed, *Municipal Government in the United States* (New York, 1934), Chapter XXI. Techniques of appraising standards have been greatly improved during recent years, particularly in the fields of fire and police protection and public works.

stated in terms of quantity, quality, cost, and/or time and results — any one of these or several in combination. Still, when such a standard or such standards are applied to the administrative machine or its branches, the answer is not entirely satisfactory. Human efforts are finite and there are limits to which the administrator may go. Sight must not be lost of the fact that there is a distinction between the adequacy of a department or a service — that is, the absolute measure of accomplishment — and the efficiency of that department or service, which is the accomplishment relative to available resources. A good city health department, at least from the administrative point of view, is not one that possesses all the equipment and gadgets which may be procured, but rather one which has used its limited funds to provide the best equipment and service possible under existing conditions. Clarence E. Ridley well summarized the whole matter when he said, "The efficiency of administration is measured by the ratio of the effects actually obtained with the available resources to the maximum effects possible with the available resources." ³⁵

Today we are demanding far more than honesty in our city management; we demand that it be efficient as well. Our cities are primarily service agencies. They collect the refuse, educate the children, extinguish fires, prevent crime, and the like. The justification for the money they spend is that they make possible these and many other services. If we who pay the bills wish to be competent to pass upon the efficiency with which they spend our money, we must perfect our standards of measurement and appraisal.

³⁵ Clarence E. Ridley and Herbert A. Simon, "Technique of Appraising Standards," *Public Management*, Vol. XIX, No. 2 (February, 1937), p. 48.



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